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Automotive News

Detroit, August 17, 1981

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Three-wheeler

Minicar is economy giant

Weighing less than 600 pounds and measuring but 91 inches long, this two-passenger Cub commuter car is scheduled to go into production this fall in Taiwan. It will be marketed by Convenient Machines, Inc., New York. Targeted price is $3,945, and estimated MPG is 60 to 80. Story on Page 4.

New-car stockpile climbs to record 87½-day supply

By Richard A. Wright
Assistant Managing Editor

The domestic new-car inventory continued to climb to Himalayan levels during July as the industry moved into what looked like a difficult cleanup period.

The domestic new-car inventory on Aug. 1 totaled 1,675,192, an 87½-day supply, highest ever for that date. (The unit count has been higher—in fact, it topped 2 million Aug. 1, 1979—but the days-supply figure is highest ever for an August opener.)

A year ago, the industry had 1,506,681 new cars in inventory, a 72-day supply.

The Aug. 1 inventory was up only slightly from 1,664,871 on July 1, but the days-supply figure was up from 83½ days because of a continuing slackening of the sales pace.

Ford Motor Co. was the only domestic corporate maker to trim its unit count during July, and American Motors was the only maker to cut its days-supply level.

Biggest gain was again notched by General Motors, which had well over a million cars in stock, sufficient for 89 days at the current sales rate. A month earlier, GM had an 85-day supply.

Table on Page 57.

Ford Motor Co. opened August with an 83-day supply, up slightly from 81 days a month earlier. Chrysler Corp. boosted its stockpile to 90 days from 86, while AMC sliced its supply from 75½ days to 66.

Volkswagen of America had a 113-day supply Aug. 1, up from 90 days a month earlier.

The Aug. 1 domestic inventory was divided this way: GM, 62.09 percent; Ford Motor Co., 20.77 percent; Chrysler Corp., 12.11 percent; VWoA, 3.12 percent, and AMC, 1.91 percent.

A month earlier, the inventory was divided as follows: GM, 60.98 percent; Ford Motor Co., 23.91 percent; Chrysler Corp., 11.64 percent; VWoA, 1.78 percent, and AMC, 1.69 percent.

• By size class, all segments except compacts increased in supply. Changes were small, except for subcompacts, which jumped from a 70-day stock to 83 days.

The industry had a 93-day supply of compacts, off from 94; a 95-day stock of intermediates, up from 91; a 73-day supply of standards, up from 72½, and an 87½-day supply of luxury cars, up from 85.

The Aug. 1 inventory was divided this way by size segment: Subcompact, 22.34 percent; compact, 30.55 percent; intermediate, 28.45 percent; standard, 12.39 percent, and luxury, 6.27 percent.

A month earlier, the inventory was divided as follows: Subcompact, 20.18 percent; compact, 30.51 percent; intermediate, 30.04 percent; standard, 12.77 percent, and luxury, 6.50 percent.

• The Aug. 1 days-supply figures by market class were:

Subcompact — Escort/EXP, 78; Lynx/LN7, 80; T-1000, 83; Chevette, 84; J-2000, 87; Cavalier, 87½; Horizon, 93; Omni, 110; Rabbit, 113, and Spirit, 117.

Compact — Concord, 37; Zephyr, 77; Firebird, 85; Camaro, 88½; Reliant, 89; Capri, 91; Fairmont, 92; Skylark, 93; Mustang, 100; Citation, 100; Aries, 100½; Omega, 107; Eagle, 124, and Phoenix, 135.

Intermediate — Diplomat, 45; LeBaron, 55; Cutlass, 66; Century, 68½; Cougar, 74; Cordoba, 79; Malibu, 89; Supreme,

Continued on Page 57, Col. 2

Chevrolet pushed from top spot after 21-year reign

Oldsmobile takes lead in sales per dealer

By Jenny L. King
Staff Writer

Oldsmobile dealers sold more cars per outlet than did those of any other domestic make in the first half.

It was the first time in 21 years that Chevrolet had not held down the top spot.

Average sales of domestic units per new-car dealer climbed slightly in the first half of 1981, compared with the corresponding period a year ago, as dealer attrition continued and sales stayed near 1980 levels.

Average for the domestic new-car outlets was 144, up from 140 a year earlier, according to Automotive News calculations.

Low average for the past 10 years was 132 sales per outlet in 1975; record average was 205, notched in 1973.

General Motors was the only major domestic auto maker to show a decline in sales per dealer for the first half.

GM dropped to 182 from 187 a year earlier and 224 two years ago.

Ford Motor Co. dealers averaged 127, up from 123 in the first half of 1980. Chrysler Corp. dealers scored an average of 105 sales per new-car outlet, up substantially from 78 one year ago and moving closer to the 1979 average of 110.

American Motors' average was 46, the same as the first half of 1980 and up from 44 two years ago.

Although there were no record high averages for any of the U. S. makes (Volkswagen of America is not included as a domestic), there was a realignment in rankings, as noted above.

Oldsmobile counted 140 sales per dealer, up from 127 a year earlier. Chevrolet's 137 was down from 159. Buick held on to third place with a 126-per-dealer average, up from 116. Ford was fourth with 107, identical to its 1980 first-half average.

No. 5 spot went to Pontiac, with 93 sales per dealer, compared with 99 a year ago. Plymouth leapfrogged from tenth to sixth place, at 73 sales per dealer, up from 45. Dodge, with 69, moved to seventh from eighth place, Cadillac, at 68, was eighth and Mercury, 67, dropped to ninth from seventh.

AMC, with a 46 average, was tenth, followed by Lincoln, 22,

Continued on Page 57, Col. 3

SALES PER OUTLET

U. S. MAKES

Sales per U. S. new-car franchise

First 6 mos., 1981		First 6 mos., 1980
1—140	Oldsmobile	127— 2
2—137	Chevrolet	159— 1
3—126	Buick	116— 3
4—107	Ford	107— 4
5— 93	Pontiac	99— 5
6— 73	Plymouth	45—10
7— 69	Dodge	52— 8
8— 68	Cadillac	66— 6
9— 67	Mercury	59— 7
10— 46	AMC	46— 9
11— 22	Lincoln	23—12
12— 18	Chrysler	26—11
13— 7	Imperial	.....

1 pct. over prime for '82s, up from 0.75 pct.

GMAC increases floor-plan rate

By Edward Lapham
Financial Editor

General Motors Acceptance Corp. has increased its effective floorplanning rate to one percentage point over the prime interest rate from 0.75 percentage points over prime, the finance company confirmed.

The rate increase becomes effective with the delivery of 1982 model GM cars and trucks, at the same time the company begins offering dealers a floorplan assistance program (Automotive News, Aug. 10).

One GM dealer last week told Automotive News he believes the auto maker stands to make an additional $480 million based on its new program, which offers reduced floorplan rate but adds an invoice surcharge.

"One-third of the cars go out immediately, one-third are sold within 60 to 90 days and one-third are on the lot longer than 90 days," the dealer said. "It's going to cost me $18,000 next year to have GM do me this favor," he said.

NADA Executive Vice President Frank E. McCarthy wrote a letter to GMAC President Robert F. Murphy asking the finance company to reconsider the floorplan rate hike.

"We at NADA continue to believe that manufacturers and their subsidiaries have responsibility to share with dealers the burden of financing the American automobile inventory," the letter said.

He went on to say GM should consider "the full impact of that action on your nationwide sales force, the American GM dealers."

Raphael Cohen, executive vice president of the Independent Dealers Committee Dedicated to Action, said the entire floorplan assistance program was "a bookkeeping trick."

Cohen said it is "a Mickey Mouse plan where GM is telling the dealers, 'you can pay me now or you can pay me later, but pay me.' That's all it is."

Ford Motor Credit Co., which also has a floorplan assistance program for its dealers, said it already charges one percentage point over prime for wholesale loans, and has no present plan to raise the rate.

breaking news

Jan. 14 intro for newest GM cars

DETROIT. — Latest reports indicate that the newest General Motors cars won't be in dealer showrooms until mid-January. The corporation is looking at a Jan. 14 introduction date for the Chevrolet Camaro and Pontiac Firebird and for the front-wheel-drive intermediate-size A-cars—the Chevrolet Celebrity, Pontiac 6000, Oldsmobile Ciera and Buick Century. The Buick and Oldsmobile versions of the J-cars will arrive even later, probably around the time of the Chicago Auto Show, which opens Feb. 27.

Isuzu to start J-car output earlier

TOKYO.—Isuzu Motors, Ltd., at the request of its U. S. partner, General Motors, will advance the startup of J-car production by six months to a year, according to reports published here. Isuzu will supply General Motors-Holden's with KD kits for the Australian market, beginning next spring, at the rate of 50,000 a year.

See BREAKING NEWS, Page 8, Col. 1

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Constitutional issue raised by dealer

High court to review two odometer cases

WASHINGTON. — The Supreme Court has agreed to review two cases involving odometer tampering — one from a used-car dealer who claims he was unjustly convicted, another from a dealer who claims the law that convicted him is unconstitutional.

Little Motor Co., a Georgia dealer and plaintiff in the first case, in 1977 sold a 1967 Chevrolet to Brenda Lee Suits Inc. At that time, the odometer showed 000,073 miles, and Little put "unknown" on the odometer disclosure statement in the sales contract.

Later, Brenda Lee sued Little, claiming Little had attempted to defraud the company on the odometer reading. A Georgia district court found no intent to defraud, and ruled in favor of Little.

The Fifth Circuit Court of Appeals, however, reversed the ruling, finding "no substantial evidence" on behalf of Little, and holding that the district court should have granted Brenda Lee's motion for summary judgment.

Little, in its petition, said the appeals court substituted "its opinion of the evidence for that of the trial court judge and the jury." The company also said that the appeals court was mistaken in using the case of *Ryan vs. Edwards*, from the Fourth Circuit appeals court, as a precedent.

"In *Ryan*, the automobile involved was a four-year-old car that had been advertised in the newspaper by the seller as 'low-mileage pampered family car'," Little said, adding that the car's actual mileage had been 32,000 miles while both the odometer and the odometer disclosure statement said slightly over 13,000 miles. There was an obvious intent to defraud in *Ryan vs. Edwards*, Little claimed, unlike its own case.

• William Thibadeau, petitioner in the second case, was accused with his son Patrick and his business associate, Norman Harris, of violating federal statutes against odometer tampering. The defendants moved for dismissal on grounds that the statutes are unconstitutional "because no federal jurisdictional basis exists for criminalizing intrastate odometer tampering."

District Court Judge Jose A. Cabranes denied the dismissal on the grounds that "Congress may legislate so long as there is a rational basis for finding (the) regulatory schemes necessary to the protection of commerce." William Thibadeau then pleaded guilty, and was sentenced to a one-year suspended jail sentence, three years' probation, and a $20 000 fine.

Thibadeau appealed to the Second District Court of Appeals, which upheld the lower court.

In his petition, Thibadeau claimed that "the government is not required to prove any nexus or impact upon interstate commerce in order to sustain its burden . . . Congress has intruded into a purely state matter over which it has no jurisdiction."

NEW-CAR STOCKS

	Aug. 1, 1981	July 1, 1981	Aug. 1, 1980
Spirit	117	119½	95
Concord	37	46	81
Eagle	124	95	98
AMERICAN MTRS.	66	75½	87
Horizon	93	76	94½
Reliant	89	91	....
Gran Fury	30½	34	32½
Plymouth	90	82	94
Imperial	123	54	....
LeBaron	55	73	136½
Cordoba	79	82	144
Chrysler	63	68	107
Chrysler	62	76	132
Omni	111	86	92
Aries	100½	103½	111
Diplomat	45	83	143½
Mirada	92½	100	141½
St. Regis	76	65	67
Dodge	97	94	106
CHRYSLER CORP.	90	86	106
Escort/EXP	78	61	....
Mustang	100	83	70
Fairmont	92	91	78
Granada	110	96	84
Thunderbird	112	117	88
Ford	66	79	50
Ford	84	81	84
Lynx/LN7	80	71	126
Capri	91	89	72
Zephyr	77	75	92
Cougar	74	77	69
XR-7	98	119	86
Mercury	58	72	52
Mercury	78	78	79
Lincoln	95	102	40
Mark VI	109	118	48
Lincoln	104	110	47
FORD MOTOR CO.	83	81	81
Skylark	93	70½	55
Century	68½	63	64
Regal	116	112	79
LeSabre	72½	68½	76
Electra	79	89	79
Riviera	79	75	66
Buick	91½	82	69
Cimarron	58	55	....
Seville	141	105	94
Cadillac	86	86	56
Eldorado	100	88	64
Cadillac	89	86	63
Chevette	84	57	71
Cavalier/Monza	87½	88	58
Citation	100	118	47
Camaro	88½	96	76½
Malibu	89	101	85
Monte Carlo	130	133	83
Chevrolet	93	92	86½
Corvette	80	66	55
Chevrolet	91	65	70
Omega	107	81	46
Cutlass	66	52	70½
Supreme	90	77	60½
Olds 88	57	54	45
Olds 98	54	60	39
Toronado	81	75	62
Oldsmobile	76½	65	57
T-1000	83	73	....
J-2000/Sunbird	87	69	55
Phoenix	135	133	53
Firebird	85	121½	81
LeMans	102½	89	89
Grand Prix	124	116	88
Pontiac	86	67	72
Pontiac	98	95	71
GENERAL MOTORS	89	85	67
VOLKSWAGEN	113	66½	34½
TOTAL	87½	83½	72

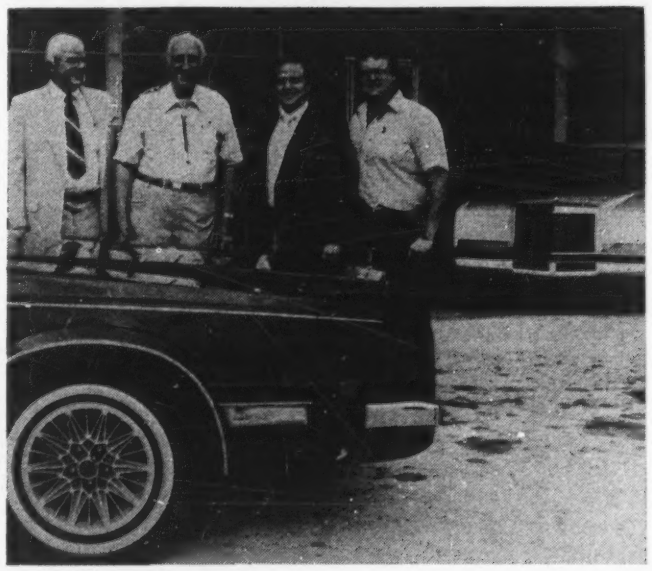
87½-day supply record for stocks

Continued from Page 7

90; Mirada, 92½; XR-7, 98; LeMans, 102½; Granada, 110; Thunderbird, 112; Regal, 116; Grand Prix, 124, and Monte Carlo, 130.

Standard — Gran Fury, 30½; Olds 98, 54; Olds 88, 57; Mercury, 58; Chrysler, 63; Ford, 66; LeSabre, 72½; St. Regis, 76; Electra, 79; Pontiac, 86, and Chevrolet, 93.

Luxury — Cimarron, 58; Riviera, 79; Corvette, 80; Toronado, 81; Cadillac, 86; Lincoln, 95; Eldorado, 100; Mark VI, 109; Imperial, 123, and Seville, 141.



Taking delivery

John H. Schrieffer, second from left, takes delivery of the 50th Chrysler (ninth Imperial) he has purchased. From left are Skip Kellogg, president of Clark Chrysler-Plymouth, Casselberry, Fla.; Schrieffer; Ray Torre, Schrieffer's salesman at Clark Chrysler-Plymouth, and Greg Harvison, Schrieffer's grandson and another Chrysler enthusiast.

GM price increase on '82s averages $617, or 5.8 pct.

Continued from Page 3

ue the quarterly increases of prior years. GM will hold introductory prices as long as possible into the 1982 model year, depending on economic cost increases and competitive factors."

Last year, GM announced introductory prices on Aug. 15 and then raised them on Sept. 30, a few days after the '81 models went on sale. There were additional boosts in January and April.

Increases on 1982 models varied widely. A Chevrolet Chevette two-door hatchback carries a sticker of $5,513, up $253, and a Chevrolet Citation four-door is $6,899, up $376. The boost is $513 on a Buick Regal coupe, now $8,712, and $588 on an Oldsmobile Delta Royale Brougham four-door, now $9,293. A Cadillac deVille two-door went up $904 to $15,249.

All of those models except Chevette have added equipment or product improvements for 1982.

The increase on the Citation X-car and the lack of a boost on the Chevrolet Cavalier J-car reduces the spread between those two classes. At $7,137, a Cavalier four-door is $238 more than an '82 Citation at $6,899. The Cavalier is $614 more than an '81 Citation at $6,523.

The price spread has not helped Cavalier in the early going. Despite its higher tag, Cavalier is smaller than Citation. Cavalier has more standard equipment than Citation, but this point often is overlooked by shoppers comparing stickers.

Buyers will be paying more for optional equipment on the '82 GM autos. Manual air conditioning is up $30-$75, and automatic transmission rose $25-$26. Power locks are $7-$10 dearer, and tinted glass climbed $6-$7.

Other examples: Tilt steering wheel, up $7; intermittent wipers, up $3; rear-window defogger, up $9-$10; cruise control, up $10-$11; power windows, up $13-$19, and power trunk release, up $3-$6.

SALES BY NAMEPLATE

PER U.S. OUTLET

U.S. new-car sales by market class

Subcompact

First 6 mos., 1981		First 6 mos., 1980
1—37	Chevette	35— 1
2—32	Escort	†
3—30	Horizon	25— 2
4—25	Omni	22— 3
5—19	Lynx	†
6—12	Spirit	17— 5
7—11	Sunbird	21— 4
8— 6	T-1000	†
9— 4	EXP	†
9— 4	Cavalier/Monza	13— 7
11— 3	LN7	†
12— 2	Pinto	16— 6
13— 1	Bobcat	6— 8

Compact

1—38	Reliant	†
2—36	Skylark	29— 3
3—30	Aries	†
4—29	Citation	35— 1
5—20	Fairmont	31— 2
6—19	Concord	21— 5
7—18	Mustang	24— 4
7—18	Omega	13—10
9—15	Phoenix	15— 8
10—14	Eagle	8—14
11—11	Zephyr	16— 7
12—10	Firebird	15— 8
12—10	Camaro	11—13
12—10	Capri	12—12
15— 3	Volare	17— 6
16— 2	Aspen	13—10

Intermediate

1—44	Cutlass Supreme	39— 1
2—36	Regal	30— 3
3—34	Cutlass	33— 2
4—25	Century	24— 4
5—22	Grand Prix	17— 6
5—22	Malibu	23— 5
7—15	Monte Carlo	14— 7
8—13	LeMans	13— 9
9—11	Granada	8—12
10—10	Le Baron	11—10
11— 8	Cougar	5—16
11— 8	Thunderbird	14— 7
13— 7	Diplomat	7—14
14— 6	XR-7	11—10
14— 6	Cordoba	8—12
16— 4	Mirada	6—15

Standard

1—38	Oldsmobile	34— 1
2—22	Buick	25— 2
3—18	Chevrolet	25— 2
4—15	Pontiac	18— 4
5—12	Ford	15— 5
6— 9	Mercury	10— 6
7— 3	Chrysler	6— 7
7— 3	Gran Fury	3— 9
9— 2	St. Regis	4— 8

Luxury

1—43	Cadillac	39— 1
2—16	Eldorado	15— 3
3—12	Mark VI	12— 4
4—11	Lincoln	23— 2
5— 8	Riviera	7— 7
5— 8	Seville	11— 5
7— 7	Imperial	†
8— 6	Toronado	6— 8
9— 3	Corvette	3— 9
10— 1	Cimarron	†

† New nameplate in 1981.

Olds takes lead in sales per dealer

Continued from Page 1

and finally Chrysler, which dropped to an average of 18 from 26. Last-place Imperial was new to the chart in 1981; it had a 7-per-dealer average.

Oldsmobile Cutlass Supreme again was the top-selling nameplate in terms of sales per outlet, with a 44-unit average. A year earlier the nameplate averaged 39 and tied with standard Cadillac. First-half second place was Cadillac at 43. Plymouth Reliant was third at 38, followed by Chevrolet Chevette at 37 and Buick Skylark and Regal, tied for fifth at 36 each.

Oldsmobile Cutlass was sixth at 34, Ford Escort was seventh with a 32 average, followed by Plymouth Horizon and Dodge Aries, both at 30, and Chevrolet Citation at 29.

Nameplate leaders by market segment were: Chevrolet Chevette (subcompact), 37; Plymouth Reliant (compact), 38; Oldsmobile Cutlass Supreme (intermediate), 44; standard Oldsmobile (standard), 38, and standard Cadillac (luxury), 43.

Best-selling nameplates by make were as follows: Cutlass Supreme (Oldsmobile); Chevette (Chevrolet); Skylark/Regal (Buick); Escort (Ford); Grand Prix (Pontiac); Reliant (Plymouth); Aries (Dodge); standard Cadillac (Cadillac); Lynx (Mercury); Concord (AMC); Mark VI (Lincoln), and LeBaron (Chrysler).

SALES PER OUTLET BY MAKE

First-half sales per U.S. new-car franchise

	1981	1980	1979	1978	1977	1976	1975	1974	1973	1972
Oldsmobile	140	127	152	155	164	143	86	77	131	103
Chevrolet	137	159	192	199	190	175	139	176	218	174
Buick	126	116	119	125	125	126	77	69	124	94
Ford	107	107	149	178	172	161	126	169	207	169
Pontiac	93	99	130	141	137	118	73	78	129	103
Plymouth	73	45	64	77	82	97	64	101	121	92
Dodge	69	52	75	86	85	90	57	86	104	82
Cadillac	68	66	99	106	103	101	72	62	87	73
Mercury	67	59	93	106	89	74	51	60	77	64
AMC	46	46	44	59	61	76	90	106	107	70
Lincoln	22	23	42	54	56	38	25	24	38	26
Chrysler	18	26	36	45	46	44	31	18	28	23
Imperial	7									

1973-1981 figures are based on retail sales. Earlier figures are based on R. L. Polk registrations.

Dealer discount pared, too

GM hikes '82 prices by $617, or 5.8 percent

By John K. Teahen Jr.
Managing Editor

General Motors has found perhaps the best way of all to stimulate sales of 1981 cars in dealers' hands:

Announce a tremendous price increase on the 1982 models which will be virtually unchanged from the present ones.

GM has done just that. It has posted tentative introductory prices for 1982 which are up an average of $617, or 5.8 percent, from comparable 1981 units.

GM also has cut the dealer discount rate for 1982 as part of its new floor-plan assistance program. The cuts amount to one percentage point on Chevrolet Chevette and Pontiac T-1000 and 1.3 percentage points on all other cars.

The floor-plan program (AUTOMOTIVE NEWS, Aug. 10) includes a surcharge on the dealer invoice. GM said it is a temporary measure designed to cope with high interest rates and that "the discount structure will be readjusted accordingly" when interest rates return to more normal levels. Discounts on optional equipment are not changed.

Prices were announced early because GM will permit preselling of most 1982 models before the official introduction dates of Sept. 24 and Nov. 12. No prices have been listed for the new Camaro and Firebird and the new front-wheel-drive A-car intermediate lines which are slated to arrive Jan. 14.

Prices of the J-cars were not increased. The J-cars — Chevrolet Cavalier, Pontiac J2000 and Cadillac Cimarron — were introduced in May as 1982 models.

The GM hike consists of three parts — $404 on base sticker prices, $103 on options for the average-equipped car and $110 for what GM called "product improvement."

GM didn't include the product improvement segment in its announcement. It said the hike was $507, or 4.8 percent.

In reply to queries, GM said "product improvement" consists of such things as electronic fuel injection, automatic transmission torque clutch converter, high-pressure tires, more corrosion protection and drag-free brakes. These features appear on selected models.

GM provided no lengthy explanation of its price hike, as it sometimes does. The corporation said simply that the boost "is substantially less than GM's cost increases for material and labor which have exceeded 10 percent annually."

• The huge increase ($617) could backfire on GM if its competitors decline to go along. The other domestic makers and the imports haven't acted as yet on 1982 prices.

GM's action also could have a very adverse effect on the domestic industry's efforts to climb out of the sales doldrums in the '82 season. Prices (of '81s) are already high, and sticker shock has been cited by countless shoppers for their no-buy decision.

GM didn't mention an average price of its average-equipped car for '82, but the arithmetic involved puts it at $11,255.

The $617 boost follows a year of heavy increases by GM. The average hike on 1981 cars was $914, capped by a $351 bump in April. Adding the latest $617 means that GM's prices for '82 are an average of $1,531 higher than they were at the end of the '80 model year.

There is also an average hike of $45 in destination charges for '82 models.

As noted, prices of the J-cars were not increased, but this hold-the-line action was not factored into the overall rise. If it had been, the corporate boost would have been less than $617. Perhaps the J-cars were omitted from the reckoning because they are already '82 models.

How firm are these tentative introductory prices? A GM spokesman said there may be some minor realignments on individual models before introduction, but dealers are price-protected at the tentative levels for fleet business and retail sales, so there will be no impact on sold orders.

GM is abandoning one maneuver it has used in recent seasons: Interim pricing.

A spokesman said last week, "GM does not intend to contin-

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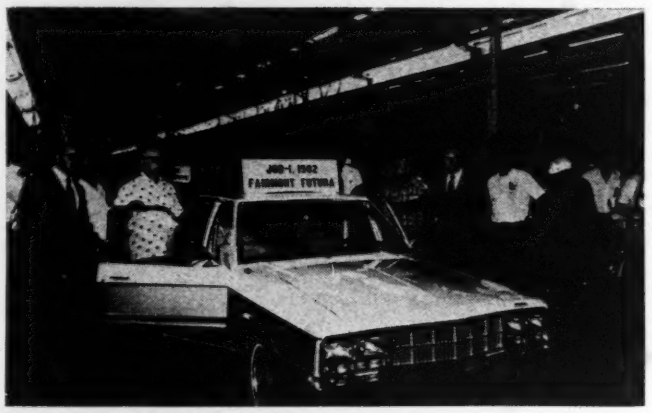

'82 Futura ready for the road

The first 1982 Ford Fairmont Futura prepares to roll off the line at Ford's Kansas City assembly plant. The driver, A. L. Whiteman, Division fleet, leasing and rental manager, stands to the right, while Bill Steufer, left center, and president of UAW Local 249, climbs aboard. Paul Nolan, plant manager, is at far left. For the 1982 model year, Fairmont and its Futura have been consolidated into a single three-car series, Futura.

Going public with newly created 'umbrella'

DeLorean files stock prospectus

By Edward Lapham
Financial Editor

John Z. DeLorean's empire is going public.

The former General Motors executive, who has started his own auto company and is now selling Belfast-built stainless steel sports cars, has filed with the Securities & Exchange Commission a preliminary prospectus for the sale of 2.25 million common shares in the recently created DeLorean Motors Holding Co.

The preliminary prospectus said the price of the stock when issued will be between $10 and $14, probably $12.50 per share.

The holding company, formed in May, will become the corporate parent of DeLorean Motor Co., and in turn of its subsidiaries, DeLorean Motor Cars, Ltd., which builds DeLorean sports cars in Northern Ireland, and Composite Technology Corp., which is developing the Elastic Reservoir Molding process.

The prospectus, like others DeLorean has used to generate capital through startup companies, carried the obligatory warning that "investment in the common stock involves a high degree of risk and should be considered only by those who can afford a total loss of their investment."

Bache Halsey Stuart Shields, Inc., is listed as the underwriters.

The current restructuring of the DeLorean empire seems to have two basic effects. First, it takes a rather complex structure and imposes another level of complexity (See AUTOMOTIVE NEWS, Feb. 5, 1979).

Secondly, the restructuring pushes a more consolidated control — financial and organizational—up the organization chart and under the aegis of the holding company.

As part of the restructuring, DeLorean Holding will acquire 9.95 million of the 10.0 million DeLorean Motor Co. shares held by DeLorean Mfg. Co., formerly John Z. DeLorean Corp., in exchange for 9.95 million shares of DeLorean Holding shares.

The holding company also will acquire at least 85 percent of the outstanding 1.4 million common shares held by car dealers and the additional 2 million common and 99,995 shares of $8 cumulative convertible preferred stock outstanding.

The third step of the restructuring is for the Northern Ireland Development Agency, which contributed $36.3 million to the project, to exchange 10 percent of its Class A preferred stock in DeLorean Motor Cars, Ltd., for 700,000 shares of DeLorean Holding common stock and convert its option to acquire DeLorean Motor Co. stock for an option to acquire DeLorean Holding stock.

The final step is to acquire 85 percent of the DeLorean Research, Ltd., partnership for up to 2.7 million shares and $17.25 million. DRLP contributes $15.5 million to the venture and currently holds rights to the sports-car and the ERM process. Under the terms of the agreement, the company must pay certain royalties to the partnership.

Sorting out the various new relationships, the result is that John Z. DeLorean will own 100 percent of CRISTINA, a Nevada corporation. CRISTINA owns 100 percent of DeLorean Mfg. Corp., formerly John Z. DeLorean Corp., which will own 49 to 51 percent of the new DeLorean Motors Holding Co., which will own DeLorean Motor Co. and its subsidiaries. If all options are realized, John DeLorean will own 49 percent of the venture.

Also disclosed in the prospectus were salaries for the five top-paid company executives during the fiscal year ended Nov. 30, 1980.

Eugene A. Cafiero, DeLorean Motor Co. president was paid $375,000. Thomas W. Kimmerly, executive vice president, $133,509. Charles K. Bennington, former managing director of DeLorean Motor Cars, Ltd., was paid $218,877. C. Richard Brown, vice president, was paid $172,038. Pursuant to an employment consulting contract, DeLorean Mfg. was paid $443,555 for the services of John Z. DeLorean.

The company said $20 million of the anticipated $28.125 million offering will be used for capital projects like developmental work on the sedan; $3.1 million would be used as part of a scheduled payment to the partnership and $2.4 million will be used to pay certain restructuring process fees.

GM freight charges to be same for all U. S.

DETROIT. — The $45 average hike in destination charges is not the only change in General Motors' shipping fees for 1982.

The company also is equalizing its destination charges, making them the same for dealers throughout the U. S. (except Alaska and Hawaii) on a specific model.

On many lines, it will mean considerably higher charges for dealers (and customers) close to the Detroit area. Dealers farther from Detroit also will be paying more because of the $45 boost, but their fees will be the same as those of the near-Detroit dealers.

In the past, destination charges varied by the dealers' distance from a "central zone," which differed for each car division. In effect, the central zone was the division's headquarters.

The new GM move extends to all car lines a practice that was adopted on '81 models for Chevrolet Chevette, Pontiac T1000, the X-cars, the J-cars and Corvette.

On '81 models, the destination charge on a Chevrolet Caprice was $308 in Detroit and $435 in Los Angeles. For '82, it will be $460 for each. On an '81 Monte Carlo, the charge was $306 in Detroit and $363 in Los Angeles. For '82, it will $399 for each.

GM said destination charges consist of three ingredients: Shipping parts to assembly plants, shipping the completed cars to dealers and buying the protective devices to cover the cars in transit. GM said destination charges to dealers recover these costs and represent no profit to the corporation.

Destination charges also play a part in retail prices since the dealer must recover his costs in pricing his cars.

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57th year — No. 4876

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Only 60 for sale in U. S.

Aston Martin's Sport Coupe, the company's first new car in the U. S. in more than two years, is based on the V-8 Coupe but has a new rear-end treatment, revised bumpers and a new hood. Power is provided by a 5.4-liter aluminum V-8 with four overhead camshafts and four twin-barrel carburetors. The interior combines leather and wool pile carpeting with burled walnut trim. The Aston Martin lineup ranges in price from $95,000 to $116,000. The new coupe, either as convertible or hardtop, will be imported in numbers totaling only 60 in 1981.

Grant from GM

EDMONTON, Alta. — General Motors has awarded a $15,000 grant to the University of Alberta to conduct analytical studies of acoustic absorption in vehicle interiors.

Cross-suits settled; Series III debut advanced

Clenet teeters on legal tightrope

By Kathleen Hamilton
News Editor

The two stockholders of Clenet Coachworks have reached a settlement on lawsuits they had brought against each other, thereby avoiding Chapter 11 reorganization and providing funding for the launch of the Series III 1930s-styled luxury roadster.

The negotiated settlement calls for an increased share of the company for the minor stockholder, S. Prestley Blake, who made his millions as one of the founding brothers of the Friendly Ice Cream Corp. chain of restaurants. His son, Ben, is his partner in the Clenet venture.

Their share was increased from 25 percent of the stock to 49 percent, the result of the capitalization of "a very substantial amount" of the short-term loans Blake had made to Clenet.

Alain Clenet, major shareholder in the privately-held firm which bears his name, said the agreement will provide sufficient funds for the production of the Series III, and he will not seek an additional investor in the immediate future.

The core of the dispute between the partners differs according to who is telling the story. A representative for Blake claimed it centered on Clenet's failure to pay interest on the notes Blake held, and Clenet's failure to pay any rent on the new, $4.5 million assembly plant in Goleta, Calif.

Clenet's representatives claimed Blake was trying to seize control of the operation by calling all his investments in just as the company was tooling up for its new line.

Blake had reneged on his agreement to bankroll the operation, they said. And they disputed Blake's claim to full ownership of the assembly plant, even though Blake held title to the land.

The out-of-court settlement spells out terms—"favorable to the company" — of a 29-year lease for the plant, according to Clenet corporate attorney Anthony Romasanta.

Alain Clenet said both parties have agreed to drop their litigation.

This puts an end to the court-ordered attachment of more than $1.66 million worth of Clenet assets as security for loans and a payment of $290,000 to Volkswagen which Blake made for the firm.

Clenet representatives said the firm had gone so far as to draw up Chapter 11 papers and was prepared to file for reorganization in U. S. Bankruptcy Court in an attempt to keep Blake from seizing the assets.

Alain Clenet said the negotiated settlement will void the possibility of Chapter 11 proceedings.

Still, court documents show the company's financial picture as far less shiny than Clenet officials have portrayed to the press. For example, The Santa Barbara News-Press reported Aug. 8 that the presiding judge in the case, Patrick McMahon, found the company was in trouble in 1980. July, 1980, assets were put at $2.1 million, outstanding loans at $1.15 million, and stockholders' equity at a negative $13,000.

In November, 1980, Blake provided $1 million so the company could meet its monthly payroll, according to Blake's attorney, Chuck Bargiel. It was the last loan Blake made to the company.

Court documents filed by Bargiel put Blake's total investment in the firm at $5 million over 1½ years, although a source close to Blake put the total at $7½ million.

A spokesman for Blake said he had received no interest during 1½ years on loans of $2.5 million, and had received no rent in the 11½ months since

Continued on Page 53, Col. 1

Sales increases reported by all domestic makers

By Jenny L. King
Staff Writer

Domestic new-car sales took a definite turn for the better in early August, with all U. S. makers reporting retail increases. Sales totaled 154,572, up 31.00 percent from the year-ago 117,996, as incentives, special interest rates and customer rebates began to take effect.

General Motors led the advance with a 33.86-percent improvement. Its five divisions turned in 100,811 sales compared with 75,310 in 1980. Ford Motor Co. reported an increase of 24.75 percent, going to 30,036 from 24,076.

Chrysler Corp. sales numbered 17,009, up 24.32 percent from 13,682 last year. Volkswagen of America retailed 2,816 new Rabbits, up 3.23 percent from 2,728, while estimated sales of American Motors passenger cars totaled 3,900, up 77.27 percent from 2,200.

GM increased its share of the domestic market to 65.22 percent from 63.82 percent last year. Ford saw its segment shaved to 19.43 percent from 20.41 percent. Chrysler slipped to 11.01 percent from 11.60 percent. AMC's estimated share was 2.52 percent, up from 1.86 percent, and VWoA dropped back to 1.82 percent from 2.31 percent.

DOMESTIC SALES

	Aug. 1-10, 1981	Aug. 1-10, 1980
AMERICAN MTRS.	1,900†	2,200†
Chrysler	1,536	2,526
Imperial	92	.....
Plymouth	7,904	5,671
Dodge	7,477	5,485
CHRYSLER CORP.	17,009	13,682
Ford	21,133	18,070
Mercury	7,754	4,952
Lincoln	1,149	1,054
FORD MOTOR	30,036	24,076
Buick	18,250	13,517
Cadillac	4,343	4,107
Chevrolet	38,852	31,082
Oldsmobile	23,188	14,815
Pontiac	16,178	11,789
GENERAL MTRS.	100,811	75,310
VOLKSWAGEN	2,816	2,728
INDUSTRY TOTAL	154,572	117,996

† Estimate

Oldsmobile for Cody

COLUMBUS, Ga. — Bill Cody has opened Royal Oldsmobile here. Cody was an All-American linebacker at Auburn University in 1965 and played professional football with the Detroit Lions, New Orleans Saints and Philadelphia Eagles.

EPA considers a formula to adjust mileage numbers

By Jake Kelderman
Washington Staff Writer

WASHINGTON. — The advertised mileage of new cars may be closer to reality in the years ahead if EPA goes ahead with a plan it has under consideration to adjust these numbers, based on actual road experience.

Mileage claims have long been a sore point with the agency and consumers alike because experience has shown that few if any motorists are able to achieve them in actual use.

The EPA, which tests for mileage under very special procedures, warns car buyers in its mileage booklets that the numbers listed may not necessarily be the mileage the buyer will achieve and that they should be used for comparative purposes only, but complaints still pile in.

Hoping to rectify that situation, the agency early on went from reporting both a city driving MPG estimate and a highway driving MPG estimate to reporting only a city driving MPG estimate. It found however, that even this number, while more accurate, was not infallible and of limited use.

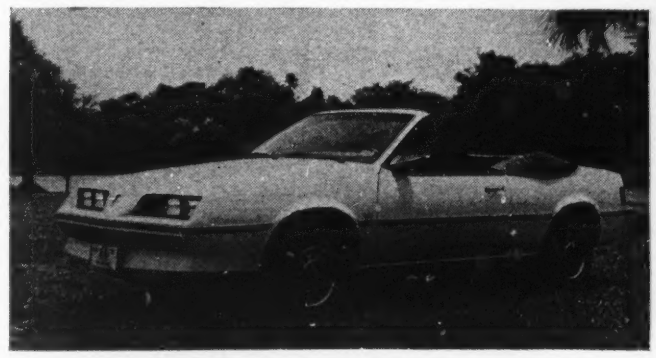
Now the agency has under consideration what it hopes will be the final answer to this problem, the application of road adjustment factors in the range of 0.8 to 0.9 to compensate for the normal 10-to-20-percent mileage shortfall in EPA estimated fuel economy.

According to studies done by the agency, application of the road adjustment factors would make the city driving number accurate within plus or minus 2 MPG for 70 percent of the city driving population.

EPA says 33 percent city driving MPG experience now falls more than 2 MPG below the EPA city value.

In highway driving conditions, application of the adjustment factors would make the EPA highway number accurate for more than 60 percent of all drivers, whereas no more than 3 percent now achieve a highway mileage figure within 2 MPG of what the EPA says the vehicle should achieve.

EPA expects to reevaluate the road adjustment factors on a yearly basis, given that new technology is always being developed and that the adjustment factor should recognize this.



J2000 loses its top

A convertible conversion for the Pontiac J2000 has been designed by Coach Builders Limited, Inc., Ft. Lauderdale, Fla., and is now in production. The conversion features reinforced body, padded roof, safety glass in rear and side quarter windows and CBL's special top system. CBL-designed Pontiac J2000 convertibles also are available from Armbruster/Stageway, Inc., Fort Smith, Ark., and from Compliment in Camanche, Ia.

Three-wheel minicar Cub to reach market this fall

A three-wheel minicar with room for two people and several parcels and which gets from 60 to 80 MPG will be produced by Convenient Machines, Inc., a New York corporation, beginning this fall.

The diminutive commuter car, called the Cub is the brain child of Richard Arbib, whose futuristic Time & Space car created a sensation back in 1956 at the International New York Automobile Show.

Convenient Machines, Inc., is involved in a $76-million coventure with the Sui Tong Corp., a Taiwan-based operation which encompasses seven sister companies, according to Sam Mizrahi, president of Convenient Machines.

"We hope to produce 10,000 Cubs our first year," he said. "They will begin arriving in the U. S. around the first of December."

The Cub, because it has three wheels, is classified as a motorcycle, he said. "It has passed all government safety requirements," he said.

Power is provided by a 300cc Honda-built engine.

"We recently sent letters about the Cub to new-car dealers in several East Coast states and had 400 replies. About three dozen already have signed up to sell them," he said.

Convenient Machines commissioned Arbib to design a small economy car. The resulting 91-inch, 600-pound Cub features an aerodynamic high-strength fiberglass body and welded steel frame with built-in roll bar.

A four-cycle gas engine and two-speed automatic transmission, electronic ignition and rack-and-pinion steering are standard. Full-size doors make entrance and exit comfortable.

• The three-wheeler, with a pricetag of $3,945, has a lockable hatchback at the rear, fully operable windows and vents, vinyl and woven fabric interior, plus carpeting in the passenger area. Cargo capacity is 8 cubic feet.

The instrument console features a tachometer, speedometer, fuel and amp gauges. An optional hi-fi AM-FM stereo radio and tape deck system with twin speakers can be ordered.

Exterior features include a full perimeter neoprene bumper, two-speed windshield wiper, dual sealed-beam headlamps and three-stage taillights. The Cub is available in six colors.

Convenient Machines, Inc., intends the mini car to be used primarily for in-town and short distance traveling, like home-to-work trips, for shopping and errands. The company claims its product has pickup and passing speed acceleration that are more than adequate for normal traffic flow.

Three-wheel wonder

Designed to carry two commuters in comfort, the three-wheel Cub, from Convenient Machines, Inc., New York, features a lockable hatchback covering eight cubic feet of cargo space. With a pricetag of $3,945, the mini car will go into production this fall, with units available through dealers by the end of the year.

truck industry news

All the luxuries of home

Two 60-by-90-inch walk-in sleepers have been introduced by Marmon Motor Co. for its conventional trucks. The raised-roof design improves aerodynamics and provides stand-up room for persons up to 6 feet 4 inches. Options include two built-in cabinets, air conditioning, color television, stereo, AM/FM radio and tape player, microwave oven, toilet and closet space.

Top speakers slated at Truck Symposium

TEANECK, N.J, — Sixteen leaders from industry and academia will discuss the global status and future of heavy-duty trucking Sept. 24-26 at the 1981 World Truck Symposium & Exposition at Cobo Hall in Detroit.

The combined symposium-exposition, designed to focus on the international challenges and opportunities confronting the industry in the decade ahead, is co-sponsored by the Motor & Equipment Manufacturers Assn. and the American Trucking Assn.'s Maintenance Council.

The admission-free exposition will feature the latest products and services by hundreds of vehicle, component, accessory and equipment manufacturers, and related firms. Hours of the exposition will be noon to 5:30 daily.

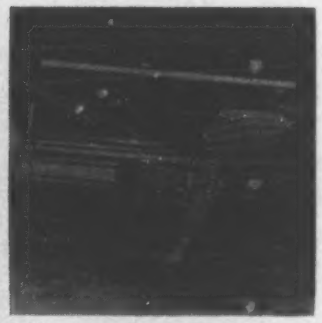
The symposium will consist of a daily general session from 9 a.m. to noon. Each session will be devoted to a specific theme.

Each afternoon, two executive forums, which are extensions of the general sessions, will be held from 1:30 to 3 p.m. and 3:30 to 5 p.m. Six major topics will be discussed at the forums: Fuel, world highways, maintenance, capital management, human resources and trucking's image.

• Following are the daily symposium times, speakers and the executive forum topics:

Thursday, Sept. 24: General session theme: The Economics of the Trucking Industry. Speakers — M. Anthony Burns, president, Ryder System, Inc; Dr. William K. Hall, professor, Uni-

Continued on Page 40, Col. 4



Swingout spare

The "E-Z Spare" swingout tire carrier holds the tire in a steel cradle which is connected by a swiveling arm to a cranking mechanism mounted to the frame of pickup trucks, according to Cook's, Inc., Algona, Ia., U. S. distributor. The carrier is designed to fit most domestic and imported pickups.

Totals off sharply in all market segments

July sales down 18.2 pct. from 1980

Retail sales of new trucks of all types in the U. S. in July dropped 18.2 percent below the year-earlier total, and the seven-month count was off 11.6 percent, according to preliminary reports.

During the month, franchised dealers and factory outlets retailed an estimated 191,066 units, compared with 233,681 in July, 1980. The seven-month total of 1,389,905 units was off 11.6 percent from last year's 1,572,-881. Estimates include sales of the non-captive Japanese compact pickup trucks.

In July, sales were down significantly from a year ago in all three market segments, with heavy trucks hurting the most from a percentage standpoint.

Light-truck sales totaled 169,-617 units, a decline of 19 percent from last year's 209,270. Mediums were down 15.7 percent, from 8,999 a year ago to 7,590, while the heavies were off 20.4 percent to 13,859 units, compared with 17,412 in 1980.

Going into August, the number of unsold trucks in retailers' inventories was about 1,000 units fewer than at the same time last year.

The Motor Vehicle Manufacturers Assn. reported that inventories totaled 550,123 units at the end of July, compared with 551,352 in 1980.

Light-truck stocks were up 5 percent, from 464,469 vehicles in 1980 to 487,872 on Aug. 1. Mediums totaled 23,114, down 30.7 percent from last year's 33,404. Heavies were off 26.9 percent, from 53,479 a year ago to 39,107.

Table on Page 22

Sales of compact pickup trucks in July dropped 20.5 percent below the year-ago total, with declines for both captives and non-captive imported nameplates.

During the month, dealers retailed 38,370 units, compared with 48,276 last year. Sales of the captives totaled 10,957 units, down 42.8 percent from the

Continued on Page 22, Col. 3

V-6 now standard in F-100

Ranger's base engine a 2-liter 4 from Brazil

By Jack Walsh
Truck Editor

A new 3.8-liter V-6 engine will be the standard power plant in Ford's F-100 full-size pickup trucks for 1982, while a modified 2-liter, four-cylinder unit built in Brazil will be the base engine in the all-new Ranger compact pickup.

The optional power plant in the Ranger, which will be introduced next March as a 1983 model, will be a 2.3-liter, four-cylinder unit produced at Ford's Lima (O.) engine plant.

In the F-100 models, the 4.9-liter I-6 will remain the base engine in California and will be an option elsewhere.

A four-speed manual transmission from Japan's Toyo Koygo, which builds the Courier, will be the standard transmission in the Ranger. A three-speed automatic and a five-speed manual, also from Toyo Koygo, will be optional.

The new SelectShift automatic transmission with locking torque converter that increases fuel economy by reducing slippage will be available with the 3.8-liter V-6 and 4.2-liter V-8 engines in the full-size F-Series trucks.

The F-Series engine lineup also will include the 5.0, 5.8 and 6.6-liter V-8s.

• Also new for 1982 will be a specially equipped short-wheelbase Styleside F-100 with a mileage rating which Ford expects to exceed the fuel-economy label leader (21 MPG) among its 1981 pickups.

The F-100 mileage leader, which has a restricted option list, will have the 4.9-liter I-6, a four-speed manual overdrive transmission, 2.47 axle ratio and a front spoiler.

Among the major functional improvements is a stamped front axle with camber adjustability, standard on the Ranger, F-100 and F-150 models.

Trim levels on F-Series trucks have been redesignated. They now are standard, XL, XLT Lariat and XLS models. All models will have a new grille

Continued on Page 40, Col. 5

More robots and new design strategy to aid S-truck assembly

Quality factored into new GM plant

PONTIAC. — At GMC's S-truck plant here — one of three General Motors plants building the first GM domestic compact pickup — product quality is the No. 1 priority.

Containing nearly 1.4 million square feet of work space, the facility includes a body shop, paint and final assembly line. Ultimately, the S-truck will be built on two shifts here, employing about 1,700 workers.

The unique net design of the S-truck, combined with a high degree of welding automation, will help assure that the S-truck will be a quality-built vehicle, according to Robert W. Truxell, GMC general manager.

"The net-design concept allows parts to mate together the same way each time with no tolerance buildup," he said. "Each part contains gauge holes that will line up accurately and consistently during the assembly process."

Common clamping points are designed right into the parts to mate exactly with the clamping fixtures used during assembly for joining sheet metal to insure good fits in the final product.

• In the body shop, 23 robots and 12 automated welders perform 87 percent of the total required welds to the pickup cab and box. Tabs and slots are used for precision pre-assembly of the pickup box, and the box's welded construction is fully automated to help insure quality net design.

All automated welding machines and robots have their own programmable logic controller (PLC) for smooth product flow and to help reduce machine downtown.

The entire body shop will be monitored by computer to alert maintenance personnel immediately of machine problems, Truxell said.

A central equipment-monitoring computer is being connected to each piece of equipment. The programs that run the robots and welding machines will be stored in each PLC control memory as well as the central computer.

If the individual programmer control should "forget" what to do, Truxell explained, the central computer can reprogram the welding machine or robot to refresh its memory, thus

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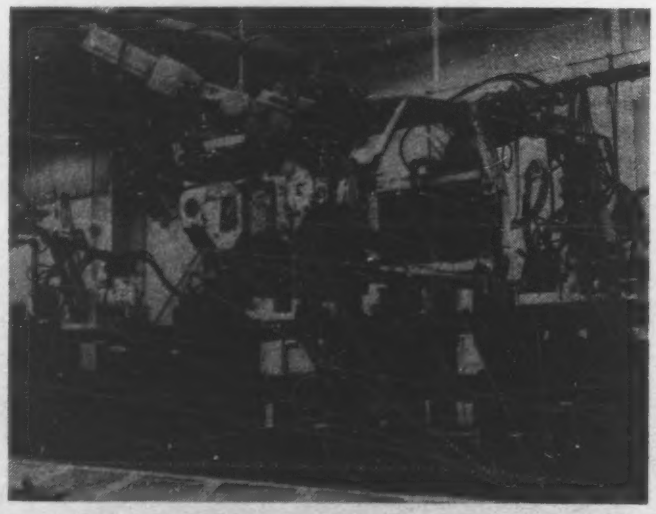

Robots at work in S-truck plant

These are some of the 23 robots at the GMC S-truck plant body shop in Pontiac, which, along with 12 automated welders, perform 87 percent of the required welds to the all-new compact pickup's cab and box.

Volvo unit seeks $1 million bond for White branch

BALTIMORE. — Volvo White Corp., a subsidiary set up by AB Volvo of Sweden to run White's heavy-truck business, has asked Baltimore County to issue a $1 million industrial revenue bond for the operation of a White sales and service branch near Dundalk.

In exchange for the proposed bond, the company said it would retain all 24 hourly workers at the White facility.

A county spokesman noted that requests for industrial bonds are fairly common when new industry moves into an area because they enable a firm to reduce its borrowing costs by taking advantage of local government powers to off tax exemptions and low interest rates.

The Swedish truck builder's offer to buy White Motor Corp.'s truck - manufacturing business for about $75 million, is awaiting approval by the U. S. Bankruptcy Court. Hearings on the proposal are scheduled this week in Cleveland.

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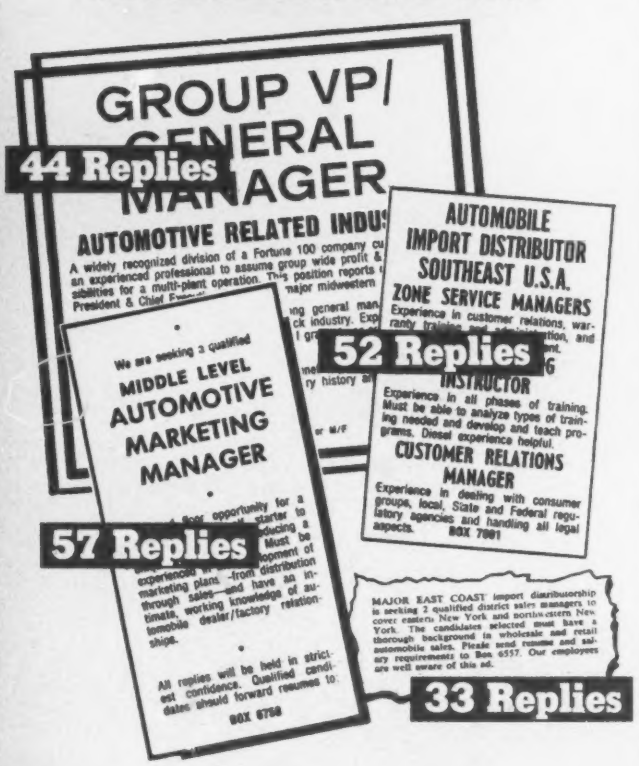

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Automotive News

All market segments decline

July truck sales drop 18 pct. below '80 level

Continued from Page 10

year-earlier 19,167. The non-captives were off 5.6 percent, from 26,438 to 24,966.

For the first seven months, compact sales declined 8.6 percent from a year ago, 290,743 units versus 318,017.

Seven-month sales of the non-captives, however, showed a small gain over a year ago. They were 1.1 percent higher, from 162,453 in 1980 to 164,215.

The captives' total through July was 106,180 units, a decline of 24.1 percent from the year-earlier 139,804.

The captives are the Ford Courier, Chevrolet LUV, Dodge Ram 50 and Plymouth Arrow. Non-Captives include Toyota, Datsun, Mazda and Isuzu.

Retail sales by Big Three dealers and factory outlets in July dropped 20.4 percent from the previous year, 145,973 units versus 183,272. The seven-month count was off 13.8 percent, from 1,264,268 a year ago to 1,089,-514.

• During the month, Ford boosted its lead over Chevrolet by almost 6,000 units, and its margin at the end of seven months grew to slightly more than 21,000.

Ford dealers sold 60,774 trucks in July, down 20.1 percent from last year's 76,083. The total included 4,696 compact Courier pickups, compared with 6,716 in 1980.

The seven-month count was 442,649 units, a decline of 10.6 percent from the year-earlier 495,062. Through July, dealers retailed 39,350 Couriers, compared with 46,793 a year ago.

Chevrolet reported that its dealers sold 54,865 vehicles during the month, a drop of 13.1 percent below last year's 63,125. The count included 3,936 compact LUV pickups, versus 6,581 in 1980.

Through July, Chevrolet sales totaled 421,399 units, a decrease of 13.2 percent from the previous year's 485,550. The LUV count dropped from 54,302 units a year ago to 43,340.

Chrysler-Plymouth and Dodge dealers retailed 16,070 trucks in July, off 35.2 percent from last year's 24,782. The seven-month total of 117,374 vehicles was down 27.3 percent from the 161,-413 sold in 1980

• July sales of the Dodge Ram 50 compact pickup totaled 1,-755 units, down substantially from the year-ago 4,246. The seven-month count dropped from 26,634 a year ago to 17,-601.

Sales of the Plymouth Arrow compact pickup also were off dramatically for the month and January-July period. In July, only 570 units were sold, compared with 1,625 a year ago. The seven-month total was off from 12,075 to 5,889.

GMC dealers and factory outlets retailed 14,264 trucks during the month, a decline of 26 percent from the year-earlier 19,282. Through July, the total was 108,092, off 11.6 percent from the 122,243 sold in the same period in 1980.

Sales of four-wheel-drive Jeep vehicles were down for both the month and calendar year. July sales totaled 6,658 units, off 15.5 percent from the year-ago 7,882. Seven-month deliveries dropped 24.1 percent, from 49,444 units to 37,510.

For the first time this year, monthly sales of Volkswagen compact pickups failed to exceed the count for the year-earlier period.

In July, 2,447 units were retailed, a decline of 8.4 percent from the 2,671 sold in July a year ago. The seven-month count, however, was 29.1 percent higher than last year, 20,-348 units versus 15,760.

Dealers sold 279 Mercedes medium and light-heavy trucks during the month, a decline of 16.2 percent from the year-earlier 333 units. Through July, the count was 2,110, off 5 percent from the 2,220 sold in the same period in 1980.

Toyota dealers retailed 12,-501 compact pickups in July, a decline of 13 percent from last year's 14,365 units. The seven-month total was down 7.5 percent, from 86,467 a year ago to 79,948.

Sales of the Datsun compacts were off in July but up slightly for the seven months. July deliveries totaled 9,602 units, down 14.8 percent from the year-ago 11,271. Through July, the count was 70,889, compared with 70,-546 in 1980.

Dramatic increases for both the month and the January-July period were reported for Mazda. Dealers sold 1,420 pickups in July, up 77.1 percent over last year's 802, and 9,559 units through July, a gain of 75.3 percent over the year-earlier 5,440.

Sales of the compact Isuzu pickups, which were not introduced until the second quarter, totaled 1,443 units in July, bringing the year-to-date count to 3,819.

Big Three July, year-to-date truck sales

	July 1981	July 1980	Year to date 1981	Year to date 1980
Ford				
Vans	11,002	8,079	64,555	63,952
Club Wagon	1,870	1,909	15,304	15,659
Courier	4,696	6,716	39,350	46,793
Bronco	3,062	5,394	20,243	26,339
Conventional Pickups	34,206	47,083	272,061	299,204
Mediums	Not available			
Heavies	Not available			
Chevrolet				
Vans	8,238	7,454	54,102	57,793
Sportvan	1,192	1,693	8,730	11,486
LUV	3,936	6,581	43,340	54,302
El Camino	2,893	3,644	20,862	25,051
Blazer	1,963	2,404	13,231	13,982
Suburban	1,945	2,544	13,217	14,910
Conventional Pickups	32,647	35,978	253,902	282,866
Mediums	2,030	2,626	13,938	18,683
Heavies	21	201	77	1,477
Chrysler				
Vans	5,096	7,339	30,193	44,492
Voyager	372	749	3,061	4,476
Ram Wagon	1,888	2,239	12,549	14,509
Arrow	570	1,624	5,889	12,075
Ram D-50	1,755	4,246	17,601	26,634
Trail Duster	91	198	1,037	2,292
Ramcharger	429	459	3,218	5,052
Conventional Pickups	5,869	7,928	43,826	51,883
GMC				
Vans	2,274	2,114	14,373	14,604
Caballero	306	446	2,760	2,749
Jimmy	445	651	2,896	3,943
Suburban	496	615	2,935	3,073
Conventional Pickups	7,763	10,023	62,555	66,245
P models	261	365	2,168	2,526
Mediums	1,778	2,724	12,529	16,164
Heavies	941	2,344	7,876	12,939

Peugeot adds 2 dealers

LYNDHURST, N. J. — Peugeot has added two dealers. They are Steve Hull Ford, Wichita, headed by Stephen L. Hull, and Bob Dance Dodge, Longwood, Fla., owned by Robert M. Dance.

YOUR FUTURE HAS ARRIVED.
The electric car America has waited for is here. Now. The EVA EVcort. It is no toy.
The EVcort is the first high-performance production model electric car in America. It is a substantial vehicle. With everything Americans expect from any car—comfort, styling, safety, speed.
• Range—60 to 100 miles on one charge, depending on speed and conditions. • Operating cost, 2¢ per mile. • Top speed: 70 mph.
For years, we have been successfully selling the EVcort—and other electric models—to business, industry and the government. Now we're ready to sell to the consumer. We think the consumer is ready to buy.
If you agree, please contact us. Because we're looking for a few good dealers who can recognize the future when it arrives.
Contact: Marc P. Girod, Marketing Manager, Electric Vehicle Associates, 9100 Bank Street, Cleveland, Ohio 44125. 216-524-8418.
2¢ PER MILE
70 MPH
EVA

Automotive News EXTRA
AUGUST 17, 1981

MARKETING '82

Domestics up ante for ad spending

By Joseph Bohn
Marketing Editor

The domestic car companies, with the exception of General Motors, upped the ante on advertising in 1980 with expenditures of nearly $800 million.

Special circumstances called for big spending, particularly at Ford Motor and Chrysler Corp.

Chrysler Chairman Lee Iacocca's TV appearances to build confidence in his struggling company cost nearly $40 million, swelling Chrysler's total expenses by 27.44 percent over the previous year.

Meanwhile, both Ford and Chrysler were spending heavily to introduce new models, promote rebate campaigns which ran in tandem with regular product pitches, and fight off soaring import penetration as well as a generally flat sales market.

General Motors, however, shaved advertising costs, partially because several divisions, including Chevrolet, Pontiac and Cadillac, saved part of their normal fall funds for the splashy spring effort on behalf of the J-cars, reported to have cost about $50 million.

The 1981 J-car effort, coupled with introductions of new models this fall, should swell GM's budget sharply this calendar year, when the final tally is made.

Overall, domestic car firms spent $791,751,000 in advertising and promotion last year, according to Advertising Age, up sharply from the $701,002,600 of the previous year.

Tops in terms of increases was Ford whose $279,832,100 outlay was up 30.15 percent from $215,000,000 in 1979. Ford accounted for 35.34 percent of domestic spending compared with 30.67 percent the previous year.

Chrysler's expenditures shot up 27.44 percent, reaching $150,-

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INSIDE MARKETING '82

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GM's Berger E-4
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Lincoln-Mercury's downsized 1982 Continental will be positioned as the ultimate in contemporary status symbols and "the most unconventional Continental in 40 years."

Luxury gets a lift at L-M

By Joseph Bohn
Marketing Editor

The stylized touch of Lincoln-Mercury's advertising continues this fall, with ads aimed at promoting the image of fuel-efficient, well-crafted and highly contemporary cars.

Notably new is a special Lynx effort in women's publications, a special Capri and LN7 push in college publications and new dealer association ads, different from the factory's and geared to the local level hard sell.

Generally, L-M will put most of its effort on luxury cars, particularly Continental, at one end of the market and small cars on the other, with lesser emphasis in the fourth quarter on Zephyr, Cougar and XR-7.

Dealer groups that have a good market for these cars can heavy up advertising on them, with specially created ads, and there are special spots for Lynx, Capri, Marquis and Lincoln Town Car, as well.

As Ad Manager John Vanderzee noted, the division's budget is only so big, and it now has 10 lines of cars to market. Therefore, associations are being counted on to carry some of the load.

Overall, L-Ms budget is about even with last year's, with two-thirds in TV, about one-third in magazine. There is no radio, and some Wall Street Journal newspaper.

Some money has been diverted from advertising into heavier merchandising and public relations on the Continental. It will be displayed at airports, at the American Realtor's convention, in fashion shows (Saks, I. Magnum), tied into designer Givenchy's fall line and appear in opera brochures.

Small cars

The Lynx cat is still trotting through a surrealistic desert setting this fall, its "search for quality" leading it to a "new kind of American car . . . built to give . . . more than just exceptional fuel economy."

The new five-door Lynx,

Continued on Page E-32

Cadillac seeks new buyers

By Joseph Bohn
Marketing Editor

Cadillac Division, seeking to broaden its appeal, particularly among young professionals, is making a bigger TV pitch this fall.

"We're fishing in a bigger pond," said Richard Welday, national merchandising manager.

Cimarron, as the big drawing card, will get disproportionately heavy advertising support, Welday confirmed, as Cadillac seeks to capitalize on its traffic-building success.

Even with its push for new buyers, the division will continue to tout its heritage and address buyers "who have been brought into our showrooms and ownership of our cars . . . over the years" with the overall '82 theme, "Best of all . . . It's a Cadillac," Welday said.

As part of its "dramatic" shift into TV, Cadillac will devote 64 percent of the fall budget to programs like "20/20," AMC's "Nightline," NFL Football and five-day-a-week early and late news broadcasting, compared with 50 percent TV last fall.

The NFL Football sponsorship begins in late September and continues right through fall into the playoffs and the Super Bowl.

With its budget up only marginally to offset inflation, Cadillac shifted money out of magazines to pay for the TV. It will use about 16 publications to introduce its regular Eldorado, deVille and Seville lines, down from 30 last fall. These overlap somewhat with the same 15-magazine schedule on Cimarron, first used to introduce that car, being used again.

Cimarron will have its own TV commercial, heavily oriented toward performance in the mode of BMW.

The car line itself will continue to be refined throughout '82, with running modifications based on results of consumer clinic tests of its strengths and weaknesses.

The first conspicuous change will be the introduction of a

Continued on Page E-28

Pentastar image rises at Chrysler

By Joseph Bohn
Marketing Editor

HIGHLAND PARK, Mich. — More corporate identity and greater brand awareness are Chrysler's goals for '82, although company merchandising and advertising appear to be taking separate routes to achieve them.

On one hand, K-labels are physically coming off Aries and Reliant. Even the Aries and Reliant name insignia is being removed from the sides of those cars, although it will still be featured in back.

Where the K-label was once prominent on the rear right side, Chrysler is substituting a mammoth colored Pentastar to draw attention to corporate identity, as the cars move down the road. (Other Dodge and Plymouth models will feature the Pentastar, as well.)

On the other hand, Chrysler's advertising agency appears to be intent on retaining "K" as a reference in some '82 ads.

Some at Chrysler felt that if the K-label had attained a good reputation and lots of public awareness, why drop it? And if "K" is good, what's wrong with a Super K?

But top officials apparently are afraid to have the K-label rub off on the new Dodge 400 and Chrysler LeBaron, which they are anxious to present as all-new '82 models, the "first front-wheel-drive, mid-size cars" in their class.

So, after a hundred million dollars of publicity, "K" appears to be destined for obscurity, although it will hang on for a time.

• Overall, Chrysler is returning to a more normal ad format this fall. No one set of cars will dominate advertising, the way Aries and Reliant did last fall, and media has been restored to a more balanced mix.

Instead of TV grabbing 85-90 percent of the budget, there will be about 60 percent TV, 25 percent magazine, 10 percent newspaper and 5 percent radio in the schedule, according to Chrysler advertising sources. (This mix does not include dealer co-op funds.)

Ad dollars also have been redistributed to give imports and trucks a fair share, rather than putting all the money into domestic cars, as happened last year during Chrysler's fight for survival.

Chrysler's recent creation of separate Import Sales Operations and Truck Sales Operations staffs, each with its own group of 100 people and separate marketing budgets, guar-

Continued on Page E-28

Domestics

Continued from Page E-1

370,000 from $117,996,000 in 1979. Chrysler accounted for 19.00 percent of domestic industry spending compared with 16.84 percent in 1979.

American Motors, with a bigger job to do as it launched new cars like the R-18, increased its spending to $45,548,900 from $44,611,600 the previous year. It accounted for 5.75 percent of expenditures against 6.38 percent the previous year.

Down overall was GM, which spent $316,000,000 against $323,395,000 in 1979. Although only off 2.29 percent in actual spending, the corporation's cutback was much larger when inflation is factored in. GM would have had to increase its budget by over 10 percent just to maintain the same volume as the previous year.

Withal, GM accounted for 39.91 percent of the dollars spent by Detroit, compared with 46.13 percent in 1979.

General Motors

GM's six car and truck divisions spent $249,785,900 on advertising and promotion in 1980, according to Advertising Age, down sharply from $307,134,400 the previous year.

Chevrolet spent $127,985,500 on car and truck ads, down from $148,363,600 in 1979.

Buick spent $35,576,500, down from $48,350,100.

Oldsmobile spent $35,449,100, down from $42,713,500.

Pontiac spent $33,207,000, down from $46,364,900.

Cadillac spent $14,193,400, down from $18,035,100.

Among the various media used, network TV was still far and away the most popular for the six divisions. Network TV took $97,520,700 of the divisions' budgets, a decline from $112,246,700 in 1979.

Newspapers as a category were also off, slipping to $52,104,700 from $68,760,700 in 1979.

Magazines commanded $41,720,600 compared with $65,165,100 in 1979.

Spot radio showed an increase, however, jumping to $31,001,700 from $23,938,800.

Spot TV fell sharply to $17,479,200 from $28,068,100 in 1979.

Outdoor advertising was the only other media to show an increase, rising to $7,413,900 from $3,520,600 in 1979.

Network radio was also off, falling to $2,545,100 from $5,434,400 in 1979.

Ford Motor Co.

At Ford Motor, Ford car and truck advertising climbed to $188,539,900 from $148,901,300 in 1979.

Lincoln - Mercury Division's advertising was also up, reaching $91,292,200 from $66,098,700.

Figures for both divisions include dealer advertising association funds (FDAF and LMDA), which are considerable.

Ford, like GM, showed a penchant for network TV advertising, investing some $125,701,400 in the medium, compared with $86,524,400 in 1979.

Newspaper spending at Ford totaled $10,960,400 compared with $10,622,700 in 1979.

Magazines, however, jumped to $38,859,600 from $35,808,200.

Similarly, spot TV was up, reaching $29,298,500 from $27,756,700.

Spot radio hit $11,440,000 from $9,252,000 in 1979.

And network radio totaled $5,572,200, compared with $1,361,300 in 1979.

In the "unmeasured category," which includes dealer ad association funds, Ford spent $58,000,000 compared with $36,784,000 in 1979.

The company boosted this fund because individual associations, with sales way off, had cut back on their advertising efforts, and the factory wanted to maintain a strong local-level effort.

Chrysler Corp.

At Chrysler, Chrysler-Plymouth spent $54,300,000 on advertising compared with $57,590,000 in 1979.

Dodge spent $56,200,000 compared with $5,746,000.

Corporate advertising at Chrysler jumped to $39,800,000 from $9,660,000 in 1979.

Like its two major competitors, Chrysler spent the lion's share of its funds in network TV.

Network TV spending totaled $79,700,000, up from $51,174,000 in 1979.

Magazine spending amounted to $23,930,000, down from $24,609,000 in 1979.

Chrysler's spot radio expenditures reached $19,100,000 from $10,349,400 in 1979.

Spot TV totaled $9,700,000, down from $17,249,000 in 1979.

Newspapers accounted for $6,990,000, down from $8,279,000.

Network radio amounted to $1,058,000, down from $3,334,100 in 1979.

Chrysler, too, had an "unmeasured" amount of expenditures totaling $8,971,000, compared with $3,001,500 in 1979.

American Motors

American Motors' expenditures were largely confined to newspapers, magazines and TV, with a fractional amount spent on outdoor.

Network TV took $17,733,900 of the budget, compared with $15,900,000 in 1979.

Spot TV totaled $15,233,900, compared with $21,600,000 in 1979.

Magazines totaled $9,824,900, up from $5,300,000 in 1979.

Newspapers accounted for $2,748,900, up from $1,550,000 in 1979. Outdoor added another $7,300 to AMC's budget compared with $161,600 in 1979.

FACTORY AD EXPENDITURES FOR CARS, TRUCKS IN U. S.

(IN THOUSANDS OF DOLLARS)

	Newspapers	Magazines	Network TV	Spot TV	Network Radio	Spot Radio	Outdoor	Unmeasured	1980 Total	1979 Total
Buick	$ 9,763.1	$ 4,584.7	$ 15,648.5	$ 3,232.9	$ 853.8	1,222.1	271.4	.....	35,576.5	48,350.1
Cadillac	3,811.3	3,851.8	2,421.2	3,238.3	420.6	450.2	.....	.....	14,193.4	18,035.1
Chev. Car & Truck	20,309.3	16,404.6	55,161.0	3,162.4	371.9	25,727.5	6,848.8	.....	127,985.5	148,363.6
Oldsmobile	10,180.8	9,356.3	10,456.5	2,679.1	836.6	1,865.2	74.6	.....	35,449.1	42,713.5
Pontiac	7,831.4	4,907.8	13,833.5	5,166.2	.....	1,415.0	53.1	.....	33,207.0	46,364.9
GMC	208.8	2,615.4	.....	.3	62.2	321.7	166.0	.....	3,374.4	3,307.1
TOTAL GM*	52,104.7	41,720.6	97,520.7	17,479.2	2,545.1	31,001.7	7,413.9	.....	249,785.9	307,134.4
Ford Car & Truck	7,374.4	26,145.6	84,722.8	19,747.2	3,747.3	7,711.6	.....	.....	39,092.0	188,539.9
Lincoln-Mercury	3,586.0	12,714.0	40,978.6	9,551.3	1,824.9	3,729.4	.....	.....	18,908.0	91,292.2
TOTAL FORD	10,960.4	38,859.6	125,701.4	29,298.5	5,572.2	11,440.0	.....	.....	58,000.0	279,832.1
Chrysler-Plymouth	1,900.0	9,000.0	30,000.0	3,500.0	300.0	5,500.0	400.0	3,700.0	54,300.0	57,590.0
Dodge Car & Truck	1,290.0	8,630.0	30,550.0	4,800.0	308.0	5,700.0	481.0	4,511.0	56,200.0	50,746.0
Corporate	3,800.0	6,300.0	19,150.0	1,400.0	450.0	7,900.0	40.0	760.0	39,800.0	9,660.0
TOTAL CHRYSLER	6,990.0	23,930.0	79,700.0	9,700.0	1,058.0	19,100.0	921.0	8,971.0	150,370.0	117,996.0
AMC	2,748.7	9,824.9	17,733.9	15,233.9	.....	.....	7.3	.....	45,548.9	44,611.6
INDUSTRY TOTAL	72,804.0	114,335.1	320,656.0	71,711.6	9,175.3	61,541.7	8,342.2	66,971.0	725,536.9	684,752.0

*—GM's total expenditures in 1980 were $316,000,000, according to Advertising Age, down 2.29 percent from $323,395,900 the previous year. However, these included component divisions and other expenditures.

"Unmeasured" includes dealer association funds for Ford and Lincoln-Mercury, as well as other expenditures like sales promotion. In the case of Chrysler-Plymouth and Dodge, unmeasured refers solely to dealer association funds.

Source: Advertising Age

Import ad bucks piled into trucks

By Joseph Bohn
Marketing Editor

Car advertising by most major importers was up last year but is expected to stabilize, at least among Japanese firms, in the wake of import quotas.

Japanese firms generally expect to run into shortages of cars for '82 (trucks and station wagons are exempt from quotas), and therefore are not required to boost ad spending.

The one exception may be Datsun which, over the near term, faces a major job in changing its brand name to Nissan. The move, expected to take several years, is estimated by some ad sources to cost the company between $125 million and $150 million to accomplish.

A lot of import ad dollars, particularly Japanese, will go into truck marketing in '82.

Aside from the fact that Japanese firms can still sell all the trucks they want next year, they face stiff new competition from General Motors—and later Ford and Chrysler—mini pickup trucks, which only adds to the competitiveness.

Overall, importers continued to be big advertising spenders, relative to the number of vehicles they sell in the U. S.

Leader Toyota spent $85,128,000 in advertising and collateral merchandising activity, according to Advertising Age and industry reports. Toyota's budget was up from $80,256,200 the year before.

Reports have it that Toyota has continued to outdistance Datsun in its mid to lower series of car lines, where most of the volume is, although Datsun continues to hold up well in the higher - priced segment with models like the 510 and 280-ZX.

Generally, Datsun's ad spending remained on a fairly even keel, according to Ad Age and industry estimates, totaling $67,365,700 against $67,682,900 in 1979.

Volkswagen, with its proliferation of models and attempts to retain market share in a very tough year, upped spending to $70,720,300 in 1980 from $56,842,100 in 1979.

Volkswagen has been having a tougher time than its major competitors in trying to fight against a price-sensitive market with its relatively high-priced lines of subcompacts.

Among the secondary tier of import advertisers, Mazda continued to sell its cars with a relatively modest budget of $39,116,000, up from $35,308,100 in 1979.

Honda similarly maintained a modest program of $34,248,000 against $28,410,000 in 1979, according to Joseph Haight, ad manager.

Haight added that media wouldn't shift much for '82. CBS football is being considered again, and more sports generally are on the agenda.

Honda had planned, for example, TV ads on Chicago White Sox and Cincinnati Reds baseball telecasts which were disrupted this year. It is planning to get into advertising on game brochures for '82, the kind available at stadiums, which might total about $800,000 of its budget.

Generally, Honda has stayed a very strong magazine advertiser, its spending in the medium up sharply to $9,354,000 in 1980 from $7,400,000 in 1979. Network TV came in at $12,471,000 last year, up from $11,400,000.

Fiat's spending was up to $13,575,000 from $12,900,000 in 1979, according to unofficial sources. Its budget is expected to decline over the next several years, as it phases out cars like Brava and Strada and switches from trying to be a high-volume competitor to a specialty marketer of Italian cars.

Jaguar Rover Triumph's ad expenditures were up last year by a little over $1 million over 1979. But it also had a last big advertising fling.

Expenditures in 1981 have been running 70 percent below calendar 1980. Rover received very little advertising this year, although some models still were left in the pipeline. MG received only co-op dealer ad support.

Triumph advertising is way off. Although '81s are still being sold, both the TR-7 and TR-8 are being phased out. Only Jaguar advertising is up for 1981, and that is where the future of Jaguar Rover Triumph lies.

1980 direct media ad expenditures by major importers

(IN THOUSANDS OF DOLLARS)

	Magazine	Net TV	Spot TV	Newspaper	Net Radio	Spot Radio	Outdoor	Unmeasured	1980	1979
Toyota	$ 6,994.3	$22,945.3	$33,035.6	$7,023.3	.....	$3,587.0	$1,542.5	$10,000.0	$85,128.0	$80,256.2
Datsun	7,404.8	18,150.0	15,384.3	6,870.0	.....	5,850.4	706.2	13,000.0	67,365.7	67,682.9
Volkswagen	21,708.6	19,434.7	12,953.6	4,949.4	.....	94.8	579.2	11,000.0	70,720.3	56,842.1
Mazda	6,296.3	20,335.1	2,780.0	573.4	.....	.....	151.2	9,000.0	39,116.0	35,308.1
Honda	9,354.0	12,471.0	.....	411.0	.....	50.0	.....	11,962.0	34,248.0	28,410.0
Subaru	5,000.0	6,500.0	2,000.0	500.0	.....	.....	.....	10,000.0	24,000.0	21,000.0
Fiat	3,900.0	.....	8,300.0	525.0	.....	850.0	.....	.....	13,575.0	12,900.0
Jaguar Rover Triumph	7,100.0	4,800.0	500.0	250.0	.....	.....	.....	.....	12,650.0	11,500.0

Toyota, Datsun, Volkswagen and Mazda figures are Advertising Age estimates, with the "unmeasured" portion of their expenditures supplied by industry sources.

Subaru's figures are based on direct company reports, although individual media breakdown is estimated. Subaru reported spending a total of $24 million last year, including $4-$5 million in shared advertising costs with its distributors and $4-$5 million in production costs and public relations. Actual media dollars spent were $14 million, according to Harvey Lamm, president.

Honda's figures are from direct company reports and do not include motorcycle advertising. Honda's unmeasured includes $7,606,000 for dealer advertising allowance. Dealers do not have to contribute matching funds to get this money. Other "unmeasured" includes $126,000 for yellow pages, with the remainder in brochures, shows and exhibits and production costs, etc.

Fiat is based on industry estimates. Jaguar Rover Triumph ad figures are based on company reports.

U. S. AUTO MARKET OUTLOOK—A COMPOSITE OF CALENDAR YEAR SALES FORECASTS

(IN MILLIONS)

	1981			1982			1983			1984		
	Car	Truck	Total	Car	Truck	Total	Car	Truck	Total	Car	Truck	Total
Chase	9.2	2.4	11.6	11.2	3.3	14.5	.....	.....	.....	.....	.....	.....
Davis	9.3	2.4	11.7	10.0	2.7	12.7	11.8	3.2	15.0	11.5	3.0	14.5
DRI	9.1	2.37	11.47	10.4	3.02	13.42	10.6	3.09	13.69	.....	.....	.....
Eisenberg	9.0	2.5	11.5	10.5	3.0	13.5	11.5	3.5	15.0	12.5	4.0	16.5
Heinbach	9.2	2.5	11.7	10.5	3.0	13.5	11.5	3.3	14.8	12.0	3.5	15.5
Jouppi	9.2	2.6	11.8	10.2	3.0	13.2	10.7	3.1	13.8	11.4	3.2	14.6
Power	9.3	2.5	11.8	12.5	3.4	15.9	12.0	.....	.....	11.0	.....	.....
Composite	9.19	2.47	11.66	10.78	3.06	13.84	11.35	3.24	14.59	11.68	3.43	15.11

Legend: Chase is Chase Econometrics, Inc. Davis is Arthur G. Davis, of Prescott, Ball & Turben, Inc. DRI is Data Resources, Inc. Eisenberg is David Eisenberg, of Sanford C. Bernstein & Co., Inc. Heinbach is Harvey Heinbach, of Merrill Lynch Pierce Fenner & Smith, Inc. Jouppi is Arvid Jouppi, of John Muir & Co. Power is J. D. Power & Associates.

Take your pick of '82 forecasts

By Edward Lapham
Financial Editor

The outlook for next year's U. S. auto market is (1) good, (2) moderate, (3) bad, (4) all of the above, or (5) none of the above.

The experts who make a living forecasting the auto industry are unable to agree exactly what the future holds.

In fact, even though the current year is nearly three-quarters gone, there is some honest difference of opinion about how 1981 will end.

Generally, however, the statistical sages are in harmony on a few basics. First, they agree that the U. S. auto market is not going to rocket out of the current sales trough to boom levels tomorrow morning.

Second, they predict that car sales are going to trend upward over the next several years.

Finally, the forecasters believe a boom of at least some proportion is indeed coming, although they tend to disagree on exactly when.

In a recent Automotive News survey, a panel of experts pegged car sales for the 1981 calendar year at between 9.0 million and 9.3 million with a composite average of 9.19 million. That is roughly in line with current auto-manufacturer thinking.

Ford President Donald E. Petersen said he expects 1981 to close at 9.0 million, while Chrysler Vice Chairman Gerald Greenwald said he sees 9.2 million new-car sales.

The divergence of opinion widens considerably for the 1982 calendar year, however, with a spread of 2.5 million units. Arthur G. Davis, Prescott, Ball & Turben analyst, is on the low end with a forecast of 10.0 million cars and 2.7 million trucks; J. D. Power & Associates is at the high end with a sales forecast of 12.5 million cars and 3.4 million trucks.

Davis, who believes there will be a 90-day contract strike against General Motors next year, said the 1982 market also will be restricted by consumer delays of purchases.

"I think there will be a big demand deferral next year, as consumers wait for all of the new small-car products due in 1983," Davis said. The analyst believes 1983 sales will climb to 11.8 million.

• On the other hand, J. D. Power & Associates believes that an economic improvement will lower interest rates, create new buyers, increase spendable dollars, make cars affordable and release pent-up demand, blasting the industry to the 12.5 million-unit level in 1982.

Power's Dave Pulaski said the move away from family transportation to personal transportation, a forecast 14 percent increase in the number of licensed drivers during the 1980s and other factors will keep the trend strong for the rest of the decade.

Pulaski believes the trend will be maintained, regardless of the price of gasoline. He also said his company expects Japanese auto makers to maintain a 20 to 25 percent share of the market through the decade.

Despite the differences of the Davis and Power forecasts, all analysts and forecasters combined had a composite sales-forecast of 10.78 million cars and 3.06 million trucks in 1982.

Arvid Jouppi, John Muir & Co. vice president, tended to agree with Davis that the recovery will be "pulled back."

"The industry is moving into a pretty good period," Jouppi said. "There is ambient demand of between 10 and 11 million units right now," he said. "But consumer income and confidence must catch up before consumer demand can be released."

William Pochiluk, of Chase Econometrics, which has forecast an 11.2-million-car and 3.3-million-truck year for 1982, believes, like Power, that the economy will improve enough to support a full-scale automotive recovery.

Pochiluk said the tax cut will help stimulate the car buyer. He also said all-new intermediate-size A-body cars from GM will get the recovery rolling with the 1982 model year launch.

Harvey Heinbach, vice president of Merrill Lynch Pierce Fenner & Smith, said he has pushed back the recovery to 1984. His moderate forecast of 10.5 million cars and 3.0 million trucks for 1982 does not reflect a UAW strike, although he also said there seems to be a good possibility of a UAW walkout against GM.

Heinbach noted there seems to be a trend toward longer-term car ownership, which could soften the long-range trend through the 1980s, although he tentatively has estimated 1981 sales at 12.0 million cars and 3.5 million trucks.

David Eisenberg, Sanford C. Bernstein & Co. analyst, has charted a moderate recovery, which is very close to the composite numbers generated by the survey.

According to Eisenberg, his forecast of a coming recovery of 10.5 million cars in 1982, 11.5 million cars in 1983 and 12.5 million cars in 1984 is the basis of an improving trend.

He said that as "bleak" as the auto market looks for the next several months, "forces are evolving which will create a surge in demand to alltime record levels."

The Wall Street analyst said 25 million cars, or about a quarter of the car population, are four to six years old, making them prime candidates for trade-in. He also said the relatively low average fleet fuel economy also means more trading up will occur when the economy improves.

Unlike Power, Eisenberg said he believes there is still a big market demand of two million units annually, just to maintain the nation's 20 million six-passenger-car fleet.

• Eisenberg also believes cars are still relatively affordable, and in fact will become more affordable. He said the average monthly automobile payment in 1980 was 10.2 percent of a family's monthly disposable income, and that by 1983 it will be down to about 8.9 percent of the average monthly family budget.

Eisenberg also assumes that the U. S. economy is going to improve dramatically, with the inflation rate, as measured by the Consumer Price Index, moving to the 7 to 8 percent range, and prime interest rates falling to about 9 percent.

Some difference of opinion among analysts and other forecasters is not uncommon; even the brightest crystal balls fog occasionally.

However, the broad divergence of opinion concerning the 1982 car and truck outlook and beyond suggests there is going to be an improvement next year, although the exact proportions are unknown.

Even Davis' low-ball 10.0 million cars would represent an 11 percent gain over 1980's 9.0 million-unit minimum estimate and a 7.5 percent gain over a 9.3 million maximum performance.

New Car Affordability Trends

	Average Term (In Mos.)	Average New Car Payment	Average Contract Price'	Monthly DPI per Household	Monthly Car Payment (% DPI)
1971	32.7	$115	$ 3,914	$ 956	12.0%
1972	33.2	116	4,021	1,001	11.6
1973	33.3	122	4,247	1,101	11.1
1974	34.2	129	4,599	1,175	11.0
1975	35.1	143	5,202	1,271	11.2
1976	36.1	153	5,613	1,356	11.3
1977	37.7	163	6,315	1,471	11.1
1978	40.0	174	7,197	1,598	10.9
1979	41.7	183	7,858	1,749	10.5
1980	42.8	195	8,306	1,909	10.2
1983F	48.0	226	10,850	2,550	8.9

'Sticker Price—Trade-In Value (or Down Payment) = Transaction Price + Interest = Contract Price

Source: GMAC, Bernstein estimates.

4–6 Year-Old Cars Account for 24.4% of Population or 25.5 Million Units

Age Groups	# Cars as of July 1980 (Mil. of Units)	% of Total	Estimated MPG
1 yr. old—1980	5,868	5.6%	20
2 yrs. old—1979	10,402	10.0	19
3 yrs. old—1978	10,483	10.0	18
4 yrs. old—1977	9,930	9.5	18
5 yrs. old—1976	8,900	8.5	17
6 yrs. old—1975	6,683	6.4	14
7 yrs. old—1974	8,498	8.1	13
8 yrs. old—1973	9,151	8.8	13
9 yrs. old—1972	7,543	7.2	13
10 yrs. old—1971	5,653	5.4	13
Over 10 yrs. old	21,453	20.5	13
Total	104,564	100.0%	15.5 (Average)

Household Ownership of Cars

# Household Members	# Cars Owned by Households (Millions of Units)	% Total
One	10.9	10.4%
Two	31.2	29.8
Three	21.2	20.3
Four	21.3	20.4
Five	11.4	10.9
Six or more	8.6	8.2
Total	104.6	100.0

Smooth skiing for SoA

By John A. Russell
New York Staff Writer

PENNSAUKEN, N. J.—A sports promotion must be an extension of the marketing position of the product, and in the case of Subaru of America, its involvement with the United States Ski Team has fit the bill entirely.

According to Alan Ross, vice president of communications for the company, the involvement with the ski team on a promotional basis has worked to the benefit of both parties in increasing awareness among the general public.

Ross noted that a primary consideration in any promotion effort, and especially this type, is that it gives a base for the advertising effort and is easily translatable to the consumer through the advertising.

"Just to put your name on a tournament doesn't necessarily give the base," he said. And it was a credible base that Subaru was striving for, he added.

Subaru began sponsoring the U. S. Ski Team in 1976 and this year signed a contract for four more years. The relationship has not been without controversy which centered on the fact that while Subaru of America is an independent U. S. company, it is the importer of Japanese automobiles.

But Ross noted that when the sponsorship became available to the company, the U. S. Ski Team did approach many companies including the U. S. auto makers, but none expressed an interest.

The company fills the transportation needs of the ski team. Forty-five Subaru four-wheel-drive cars and a number of domestic vans are supplied by the company. The vans were purchased by Subaru for the ski team and met the team's specifications.

Ross has stressed that the involvement goes beyond supplying vehicles and includes almost day-to-day involvement with the team.

In the marketing program, Ross noted that when the team uses the Subaru vehicles it is a demonstration that people can see. And the team uses the cars in adverse climates. He said the underlying thought for the potential consumer who sees the cars in action is "if this vehicle will do this here, think about what it will do for you."

But Ross again stressed that any promotion has to be a relationship that recognizes the needs of both groups and there has to be a pragmatic relationship in order for it to be important.

Subaru supports the promotion with advertising which includes both the vehicle and the U. S. Ski Team as well as public relations efforts.

During the involvement with the Ski Team, Subaru has expanded to include sponsorship of ski races, such as the Subaru World Cup, held this year in Aspen, Colo., and ski team activities. It has also progressed to its becoming the "official car" of the U. S. Ski Assn. and the U. S. Ski Team Sports Medicine Program.

The company also extends its effort to the regional level with its distributors, and dealers work with the distributors in various promotions.

The promotion has been a coordinated marketing effort for the four-wheel drive vehicles. Ross noted that this is not for the "short haul," but the concept fits the need and the product fits the concept.

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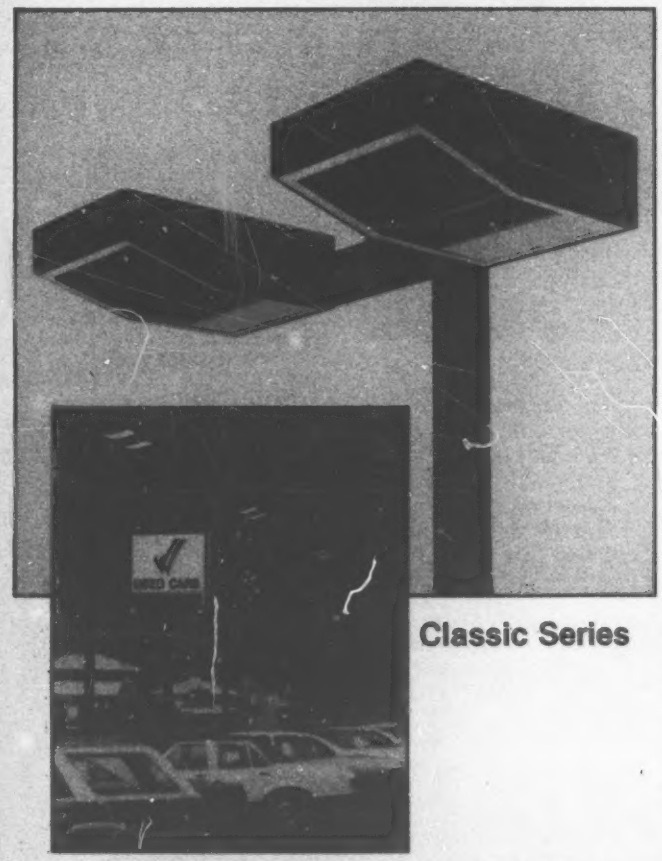

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30.58 percent of market in May

Import registrations hit record share

By Richard A. Wright
Assistant Managing Editor

Registrations of new imported cars in May were up 4.16 percent from a year earlier and imports reached their highest market penetration in history, according to figures compiled by R. L. Polk & Co.

May import registrations totoled 223,589, up from 214,660 in May last year. Record for the month is 237,289, set in 1979. That total was highest for any month in history. This May's was the fifth highest for any month.

Imports took 30.58 percent of total May registrations in the U. S., the highest monthly penetration ever, topping the previous record of 30.33 percent, set in April this year.

Year-to-date import registrations through May totaled 1,051,663, off just 0.43 percent from 1,056,198 last year.

Imports accounted for 28.86 percent of total U. S. registrations in the first five months, compared with 27.98 percent last year.

Of the top 10 imports in May registrations, Volvo logged the biggest gain in market share compared with a year earlier and Datsun suffered the biggest loss.

Volvo took 3.03 percent of May import registrations, up 1.13 percentage points from the similar period last year. Other gainers were Mazda, up 1.04 points to 6.75 percent; Honda, up 0.91 of a point to 15.23 percent; Toyota, up 0.89 of a point to 24.13 percent, and Subaru, up 0.14 of a point to 5.28 percent.

Datsun lost 3.01 points to take 18.69 percent of May import registrations. Also losing market ground were Volkswagen, down 1.49 points to 9.41 percent, and Fiesta, down 0.62 of a point to 1.90 percent.

The top 10 imports accounted for 88.90 percent of the May import total, compared with 89.77 percent a year earlier. Year-to-date the top 10 accounted for 88.72 percent, compared with 88.86 percent last year.

• Japanese nameplates accounted for 73.78 percent of import registrations in May, down 1.59 points from a year earlier. German-built cars also slipped a bit from a year earlier, down 0.29 of a point to 17.91 percent.

Swedish cars were up 1.30 points to 3.59 percent; French, up 0.51 of a point to 1.90 percent, and Italian up 0.12 of a point to 1.85 percent. British cars dipped 0.05 of a point to 0.97 percent.

Registrations by country of origin in May, with year-earlier figures in parentheses, were: Japan, 164,953 (161,793); West Germany, 40,040 (39,068); Sweden, 8,035 (4,919); France, 4,256 (2,974); Italy, 4,145 (3,711), and United Kingdom, 2,160 (2,195).

Registrations by country of origin for the first five months of 1981, with 1980 figures in parentheses, were: Japan, 793,907 (793,579); West Germany, 183,409 (190,865); Sweden, 31,161 (25,891); France, 19,002 (14,933); Italy, 15,910 (21,314), and UK, 8,273 (9,616).

• Registrations of imported trucks in May totaled 44,469, up 1.72 percent from 43,719 a year earlier.

Registrations of imported trucks in May, with year-earlier figures in parentheses were: Toyota, 10,498 (11,268); Datsun, 10,254 (9,384); Chevrolet LUV, 7,500 (6,675); Ford Courier, 5,579 (6,031), and others, 10,638 (10,363).

The truck import total for the first five months of 1981 was 202,090, down 11.43 percent from 228,158 last year.

Registrations of imported trucks in the first five months of 1981, with 1980 figures in parentheses, were: Toyota, 48,431 (58,835); Datsun, 45,537 (46,251); Chevrolet LUV, 32,548 (38,857); Ford Courier, 28,698 (33,471), and others, 46,876 (50,744).

IMPORT REGISTRATION SHARES IN U. S.

	MAY					FIVE MONTHS				
	Regis., May, 1981	Percent Share of Market	Regis., May, 1980	Percent Share of Market	Pct. Pt. Change '81 vs. '80	Regis., 5 mos., 1981	Percent Share of Market	Regis., 5 mos., 1980	Percent Share of Market	Pct. Pt. Change '81 vs. '80
Toyota	53,946	24.13	49,891	23.24	+ 0.89	254,570	24.21	237,714	23.45	+ 0.76
Datsun	41,781	18.69	46,576	21.70	— 3.01	190,196	18.09	223,949	21.20	— 3.11
Honda	34,058	15.23	30,735	14.32	+ 0.91	161,971	15.40	144,082	13.64	+ 1.76
VW	21,038	9.41	23,405	10.90	— 1.49	97,196	9.24	103,091	9.76	— 0.52
Mazda	15,097	6.75	12,267	5.71	+ 1.04	77,786	7.40	62,742	5.94	+ 1.46
Subaru	11,799	5.28	11,038	5.14	+ 0.14	56,802	5.40	48,627	4.61	+ 0.79
Volvo	6,773	3.03	4,071	1.90	+ 1.13					
Mercedes	5,603	2.51	.....	.....	.....					
Audi	4,416	1.97	.....	.....	.....					
Fiesta	4,248	1.90	5,414	2.52	— 0.62	25,584	2.43	30,980	2.93	— 0.50
Arw./Champ.	.....	.....	4,981	2.32	.....					
Colt	.....	.....	4,329	2.02	.....					
Volvo						25,284	2.40	.....	.....	.....
Mercedes						24,293	2.31	20,972	1.99	+ 0.32
Colt						19,304	1.84	27,371	2.59	— 0.75
Arw./Champ.						.....	.....	28,996	2.75	.....
Others	24,830	11.10	21,953	10.23	+ 0.87	118,677	11.28	117,674	11.14	+ 0.14
TOTAL	223,589		214,660			1,051,663		1,056,198		
Share of U.S. Total		30.58		29.28	+ 1.3		28.86		27.98	+ 0.88

Registrations for Oklahoma not available.

Recycling is credited

Aluminum makers trim energy use

WASHINGTON. — The aluminum industry reported a 13 percent reduction in the amount of energy needed to make a pound of aluminum through the second half of 1980 compared with the base year of 1972, the Aluminum Assn. said.

In a report to the Department of Energy, the association listed 78 examples of energy-saving activities undertaken by companies in the industry's voluntary conservation program.

Most of these projects involve capital expenditures for new energy efficient equipment and the conversion to more energy efficient equipment and design.

Some of the items listed included installation of new furnaces in various melting and process operations, recovery systems to make use of waste heat, units to produce aluminum sheet directly from molten metal and additional control equipment on production processes to reduce energy consumption.

• In addition, a substantial portion of the improvement over the 1979 conservation level can be attributed to the industry's rapidly expanding recycling efforts, according to Allen C. Sheldon, chairman of the association's Energy Committee.

"It was recycling that was mainly responsible for our almost three percent improvement. We expect recycling to continue to make important contributions to reaching our goal of a 20 percent reduction by the end of 1985," he said.

Recycled aluminum is produced with less than 5 percent of the energy required to make metal from bauxite ore.

Percentages of improvement are based on 1972 energy use and exclude the amount of energy used to operate environmental control equipment put into service since the base year.

Bloom elected in New York

BROOKLYN, N. Y. — Eli Bloom, president of Myrtle Motors Pontiac, Queens, has been named president of the Greater New York Automobile Dealers Assn. He succeeds Mal Davis, of S & W Dodge.

Elected vice presidents were Irwin Katz, Kayson Chevrolet, Croton-on-Hudson; Jack Mark, of Mark Chevrolet, Brooklyn, and Thomas Nemet, Nemet Datsun, Jamaica.

Neil Spare Jr., South Shore Motors, Sayville, is secretary, and Richard Perfit, Harper Oldsmobile, Brooklyn, is treasurer.

DuPont repair finishes available for J-cars

WILMINGTON, Del. — Lucite acrylic lacquer and Centari acrylic enamel repair finish colors by duPont are now available for the Pontiac J2000 and Chevrolet Cavalier J-cars.

Complete cabinet stock is available through duPont refinish jobbers. For more information, contact duPont Co., Refinish Sales, Wilmington, Del. 19898.

Saleable items for sophisticated buyers

Technical innovations abound on '82 models

Continued from Page 16

Reliant K-cars.

Ford's new V-6, lightest in the industry, weighs about the same as the Ford 2.3-liter four-cylindcr engine.

Ford engineers say it has more horsepower than Ford's 4.2-liter V-8.

Each Ford engine carries a bar code-marking, and eye-readable letters and digits. If an engine malfunctions in the hands of a consumer, the code can be read and fed back to the engine plant.

At the plant, employes can pull the engine's inspection dossier from the computer memory and learn its history.

It can be determined if the engine failed a particular check, whether there is some sort of failure in the system, or that there is a design problem to be corrected.

There is an interesting quality-control program under way at Ford. For the Continental, for example, each supplier is asked to run a sample of 300 components. From that run, six to 10 samples are selected for a battery of tests.

These include layout inspections, material analysis and engineering specification tests to confirm that all parts meet Ford requirements.

In the past year and a half, Ford has established a supplier rating system. It has some 1,300 suppliers rated within 170 commodity groupings. They are scored from zero to 100 percent and ranked among like suppliers. Only top suppliers are approached by Ford when it comes time to make purchases.

Among the criteria Ford uses in ranking vendors are: Initial sample performance, supplier quality surveys, process capability data, in-process objectives, assembly plant problems, supplier dock-audit results, purge/stop shipment wires and warranty or field problems.

factories list auction dates

American Motors

Aug. 18—Aptco Auto Auction, Taylor, Mich.; D & A Auto Auction, New Stanton, Pa.

Aug. 20—Todd Auto Auction, Telford, Pa.

Aug. 21—Floyd Hauhe Auto Auction, Bridgeton, Mo.

Aug. 25—Ohio Auto Auction, Columbus, O.; Metro Auto Auction of Kansas City, Lee's Summit, Mo.

Aug. 26—Sand Mountain Auto Auction, Boaz, Ala.; Southern Auto Sales, Warehouse Point, Conn.

Aug. 27—Fredericksburg Auto Auction, Fredericksburg, Va.

Aug. 28—Concord Auto Auction, Acton, Mass.

Used car sales

Auction Averages

August to date	$4,669
Month ago	$4,267
Year ago	$3,691

Model breakdown

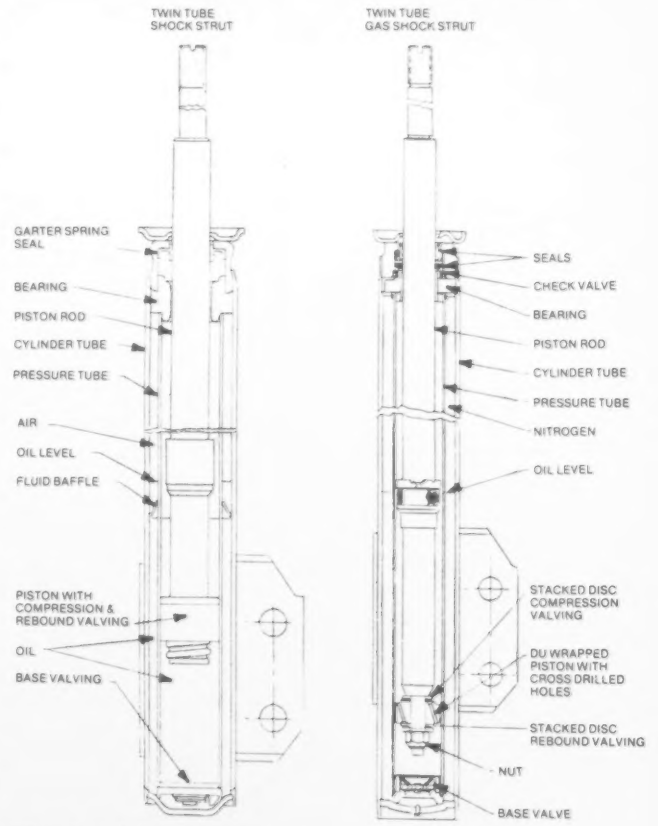
Auction Averages

	AUGUST TO DATE	JULY	JUNE
1981	$8,509	$7,619	$7,126
1980	6,306	6,008	5,856
1979	5,224	5,000	4,857
1978	4,027	3,872	3,669
1977	3,197	3,142	2,972
1976	2,396	2,291	2,268
1975	1,647	1,586	1,599
1974	1,237	1,314	1,379
Overall Average	$4,669	$4,398	$4,286

New Hampshire dealers sponsor boat races

LITTLETON, N.H. — New Hampshire Chrysler-Dodge dealers will be the main sponsor for a $20,000 hydroplane race Sept. 12 and 13 here.

Among the auto men organizing the New Hampshire Chrysler - Dodge International Regatta are Joe Lindsey, Capital Motors, Concord; Jack Gloor, Portsmouth Motors; Bill Perry, Perry Motors, Peterborough; Doug MacKenzie, MacKenzie Motors, Manchester; Phil Cross, Crosstown Motors, Littleton, and Bill Chaloux, Chrysler zone office.



Shock with pressure

In the 1982 model year, Ford Motor Co. introduces an advance in shock absorber technology. Shown at right, the new gas-shock improves ride, noise vibration and handling by providing immediate rebound response and stabilized dynamic control.

used-car auction directory

Display Rates: $83.00 per column inch (minimum space, 1 inch on 1 column). Listing Rates: (Maximum: Four lines of type - 1 time, $13.50; 13-times, $11.50; 26-times, $10.00; 52-times, $9.00. For Frequency Display Rates Contact Want Ad Dept., Automotive News, 965 E. Jefferson, Detroit 48207. Phone (313) 567-9520. Closing: 10 days in advance.

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AUTOMOTIVE NEWS ADS PRODUCE EXCELLENT RESULTS**

Total well ahead of week ago, year ago

U.S. auto production moves upward

By Patricia Hoffman
Staff Writer

U. S. auto production last week was well above that of the previous week and the comparable 1980 week.

The domestic auto makers last week slated production of 97,091 units, up 39.04 percent from 69,827 in the previous week, and up 42.77 percent from 68,004 in the comparable 1980 period.

So far this year, the makers have completed 4,286,408 cars, up 7.23 percent from 3,997,253 in the comparable period last year.

Breakdown for the week by company is: General Motors, 59.17 percent; Ford Motor, 25.04 percent; Chrysler Corp., 8.65 percent; Volkswagen of America, 3.87 percent; American Motors, 3.24 percent and Checker Motors, 0.03 percent.

General Motors' Detroit facility, down for model changeover since July 17, returns today (Aug. 17).

Also returning today at GM after being idle for model changeover are the Linden assembly point, down since July 22, and the Pontiac and Baltimore facilities, both down since July 31.

GM's Leeds point, down since July 31, and the Van Nuys plant, down since July 17, are slated to return Oct. 12.

Also at GM, the Lansing plant, down since July 22, is scheduled to return in late August, and the Janesville assembly point, down since Aug. 7, has slated production for Sept. 8.

American Motors' Kenosha facility, which went down for changeover July 20, resumes operations today.

Chrysler's St. Louis plant, down since July 31, is slated to return in late August.

Chrysler's Newark point, down for changeover since Aug. 3, has slated 1982 production for Aug. 24.

All other Chrysler facilities are scheduled to work regular shifts this week.

All of Ford's assembly points are also scheduled to work this week with Wayne slated to work daily overtime. The plant will work two 10-hour shifts.

Canadian output level rises on gains by Ford, Chrysler

Canadian auto and truck production last week was up substantially from the previous week's output. The total also rose considerably above the comparable 1980 week's figures.

Last week, the auto makers estimated production at 7,458 units, up 66.29 percent from 4,485 completed in the previous week, and up 25.60 percent from 5,938 units in the comparable week last year. Increases by Ford and Chrysler more than offset a decline by General Motors.

Year-to-date, output for the auto manufacturers was 535,588 units up 2.48 percent from 522,645 in the comparable period last year.

Truck production last week was slated at 8,448 units, nearly four times as many as 2,276 the previous week, and up 52.35 percent from 5,545 in the comparable 1980 week.

So far this year, the truck makers have completed 328,377 units, up 3.42 percent from 317,512 assembled in the same period last year.

Both of Chrysler's Windsor car and truck facilities will be operating on normal shifts this week building 1982 models.

General Motors' Oshawa (Number One) car-line, down since July 16 for 1982 model changeover and originally scheduled to resume operations Aug. 18, will remain idle until Aug. 31 due to inventory adjustments.

The Oshawa (Number Two) car line, which went down Aug. 6 for changeover, will remain idle until Nov. 9.

GM's Oshawa truck facility worked only one shift last Tuesday and Wednesday due to a material shortage which occurred when the plant began production of 1982 models on Aug. 3. The point returned to normal two-shift operations last Thursday (Aug. 13).

Ford Motor said that it will begin conversion at its Oakville facility in December, 1982, in preparation for the front-wheel-drive compact car to be produced in 1983.

The company is currently adding a second workturn at the Oakville point to make it Ford's sole source of LTDs for the North American market. According to Ford, when production of the compact model begins sometime in February, 1983, LTD production would be relocated to a U. S. facility.

All of Ford's assembly points will be in operation this week with production of 1982 models.

General Motors' Scarborough truck facility, down for model changeover since July 29, resumes Tuesday (Aug. 18).

GM's St. Therese car point, idle for changeover since July 23, returned last Friday (Aug. 14).

Volvo's Halifax facility, which closed for model changeover Aug. 3, is scheduled to resume production Friday (Aug. 21).

Truck production climbs for week; total is 24,837

Domestic truck production last week jumped considerably above the previous week's total, and output also exceeded that of the comparable 1980 week.

Last week, the truck makers scheduled production of 24,837 units, up 71.40 percent from 14,490 in the previous week, and a gain of 13.59 percent from 21,864 in the comparable 1980 week.

Year-to-date, truck production was 1,096,281 units, up 12.49 percent from 974,478 in the comparable period last year.

General Motors' Baltimore truck facility, idle for changeover since July 31, resumes operations today (Aug. 17).

American Motors Toledo (Jeep) facility, down for changeover since July 20, also returns today.

General Motors' Janesville and St. Louis points, both down since July 24, will return to normal operations Aug. 31.

Volkswagen of America's Westmoreland point will close for 1982 model changeover Aug. 28 with operations scheduled to resume Sept. 8.

Volvo chooses Greensboro, N.C., as truck home

WASHINGTON. — AB Volvo has tentatively chosen Greensboro, N. C., as the site of its new truck corporation if it is given the go-ahead by a federal court in Ohio to buy the bankrupt White Motor Corp.

According to the Greensboro Daily News, official announcement may occur as early as this week after Volvo corporate officers acquire White and inspect the Greensboro site.

Should the purchase of White go through, the new corporation would employ between 300 and 500 local people, with about 75 executives from the U. S. and Sweden moving to Greensboro.

Meanwhile, the Commerce Department has announced a $2.5 million federal grant to help Smyrna, Tenn., develop the site of Nissan Motor Mfg. Co.'s new pickup truck plant.

The money from the Economic Development Administration will be used to finance new water, sewer and similar facilities for the plant which will open in 1983.

Earlier this year, there had been some concern that funding for the EDA program would be eliminated in the Reagan Administration budget cuts.

U. S. CAR PRODUCTION

	Week Ended Aug. 15, 1981	Week Ended Aug. 16, 1980	Week Ended Aug. 8, 1981	Aug. to Date	Jan. 1 to Aug. 16, 1980	Jan. 1 to Aug. 15, 1981
AMERICAN MOTORS	3,150*	4,286*	3,150*	6,300*	106,164*	83,272*
AMX	.....	.....	.....	.....	.....	.....
Spirit	.....	.....	.....	.....	.....	.....
Concord	.....	.....	.....	.....	.....	.....
Eagle	.....	.....	.....	.....	.....	.....
Pacer	.....	.....	.....	.....	.....	.....
CHRYSLER CORP.	8,400	7,950	1,728	10,128	370,365	516,298
Plymouth Total	4,100	3,450	422	4,522	168,948	266,873
Horizon	2,800	3,100	422	3,222	99,352	102,525
Reliant	1,300	250	.....	1,300	342	154,761
Volare	.....	.....	.....	.....	51,740	.....
Caravelle	.....	100	.....	.....	4,203	2,139
Gran Fury	.....	.....	.....	.....	13,311	7,448
Chrysler Total	.....	1,100	.....	.....	49,445	22,098
LeBaron	.....	1,100	.....	.....	37,929	17,236
Chrysler	.....	.....	.....	.....	11,516	4,862
Dodge Total	4,300	3,400	1,306	5,606	151,972	227,327
Omni	2,600	2,600	1,306	3,906	85,741	89,087
Aspen	.....	.....	.....	.....	36,899	.....
Aries	1,700	250	.....	1,700	302	121,914
Diplomat	.....	550	.....	.....	18,306	12,644
St. Regis	.....	.....	.....	.....	10,724	3,682
FORD MOTOR	24,309	16,238	10,016	34,325	767,671	872,132
Ford Division	16,627	10,629	6,494	23,121	561,714	595,632
Escort	6,805	435	2,811	9,616	435	222,984
Pinto	.....	.....	.....	.....	68,179	.....
Fairmont	3,572	2,737	.....	3,572	154,446	125,774
Must./Must. II	3,170	5,036	3,683	6,853	154,020	108,137
Granada	888	741	.....	888	50,758	53,056
Thunderbird	2,192	.....	.....	2,192	77,383	44,795
Ford	.....	1,680	.....	.....	56,493	40,886
L-M Division	7,682	5,609	3,522	11,204	205,957	276,500
Mercury Total	6,865	4,295	3,522	10,387	183,335	239,386
Bobcat	.....	.....	.....	.....	12,445	.....
Lynx	2,478	141	1,077	3,555	141	77,842
Capri	847	1,541	1,131	1,978	45,262	37,614
Zephyr	1,030	1,103	.....	1,030	50,232	38,348
Cougar/Monarch	346	.....	.....	346	16,409	27,040
XR-7	1,034	222	.....	1,034	26,288	19,885
Mercury	1,130	1,288	1,314	2,444	32,558	38,657
Lincoln Total	817	1,314	.....	817	22,622	37,114
Lincoln	387	598	.....	387	9,062	18,086
Mark VI	430	716	.....	430	11,699	19,028
Versailles	.....	.....	.....	.....	1,861	.....
GENERAL MOTORS	57,447	35,070	51,166	108,613	2,616,744	2,695,279
Buick Division	14,579	5,628	13,724	28,303	506,171	576,024
Skylark	5,705	2,094	6,531	12,236	145,035	175,810
Skyhawk J	.....	.....	.....	.....	.....	.....
Century	.....	1,179	.....	.....	108,743	86,881
Regal	5,479	1,441	3,987	9,466	131,180	162,956
Buick	3,395	914	3,206	6,601	93,454	104,586
Riviera	.....	.....	.....	.....	27,759	45,791
Cadillac Division	1,000	.....	1,235	2,235	124,755	173,663
Cimarron	1,000	.....	1,235	2,235	.....	11,212
Seville	.....	.....	.....	.....	21,265	15,916
Eldorado	.....	.....	.....	.....	33,224	40,074
Cadillac	.....	.....	.....	.....	70,266	106,461
Chevrolet Division	26,818	18,520	23,938	50,756	1,119,589	1,012,415
Chevette	7,460	9,090	7,430	14,890	296,542	227,628
Cavalier	5,312	.....	4,693	10,005	.....	55,416
Monza ('80)	.....	3,050	.....	.....	109,502	.....
Camaro	.....	.....	.....	.....	79,765	87,694
Citation	5,850	5,580	5,867	11,717	303,474	239,820
Malibu	1,680	.....	340	2,020	167,051	164,814
Monte Carlo	1,081	.....	138	1,219	60,609	93,495
Chevrolet	4,775	.....	4,810	9,585	72,494	122,690
Corvette	660	800	660	1,320	28,152	20,858
Oldsmobile Division	7,170	1,750	4,347	11,517	499,547	585,528
Omega	3,075	.....	3,790	6,865	76,156	104,750
Cutlass	3,290	1,710	.....	3,290	256,454	275,741
Oldsmobile	805	40	557	1,362	141,821	175,290
Toronado	.....	.....	.....	.....	25,116	29,747
Pontiac Division	7,880	9,172	7,922	15,802	366,682	347,649
Acadian†	200	190	227	427	14,675	14,307
J2000	3,503	.....	3,295	6,798	.....	39,713
Sunbird ('80)	.....	3,350	.....	.....	96,810	.....
T1000	2,320	.....	2,063	4,383	.....	52,475
Firebird	.....	.....	.....	.....	51,691	43,468
Phoenix	1,857	2,339	1,997	3,854	90,322	76,370
Grand Prix	.....	2,225	.....	.....	38,148	69,227
LeMans	.....	1,068	.....	.....	35,872	42,027
Pontiac	.....	.....	340	340	39,164	10,062
VOLKSWAGEN	3,760	4,375	3,742	7,502	134,568	117,983
CHECKER	25*	85*	25*	50*	1,741	1,444*
Total Cars, U. S.	97,091	68,004	69,827	166,918	3,997,253	4,286,408

CANADIAN CAR PRODUCTION

	Week Ended Aug. 15, 1981	Week Ended Aug. 16, 1980	Week Ended Aug. 8, 1981	Aug. to Date	Jan. 1 to Aug. 16, 1980	Jan. 1 to Aug. 15, 1981
AMERICAN MOTORS	.....	.....	.....	.....	.....	20,779
CHRYSLER CORP.	1,129	1,600	196	1,325	41,051	31,257
FORD MOTOR	6,320	3,426	1,687	8,007	160,084	142,395
GENERAL MOTORS	9	912	2,602	2,611	315,132	334,602
VOLVO	.....	.....	.....	.....	6,378	6,555
Total Cars, Canada	7,458	5,938	4,485	11,943	522,645	535,588
N. American Cars	104,549	73,942	74,312	178,861	4,519,898	4,821,996
N. American Trucks	33,285	27,409	16,766	50,051	1,291,990	1,424,658
North American Cars and Trucks	137,834	101,351	91,078	228,912	5,811,888	6,246,654

†—All Acadians and Caravelles are built for sale in Canada. *—Estimated.

TRUCK PRODUCTION IN U. S.†

	Week Ended Aug. 15, 1981	Week Ended Aug. 16, 1980	Week Ended Aug. 8, 1981	Aug. to Date	Jan. 1 to Aug. 16, 1980	Jan. 1 to Aug. 15, 1981
CHEVROLET	855	1,920	1,607	2,462	294,054	334,317
DODGE/PLYMOUTH	2,200	150	2,804	5,004	84,946	62,930
FORD	14,863	13,799	2,535	17,398	338,315	398,966
GMC	914	1,487	1,501	2,415	103,169	115,596
INTERNATIONAL	1,615	2,115	1,626	3,241	36,974	46,718
MACK	.....	500	.....	.....	15,417	.....
JEEP	2,000*	190*	2,000*	4,000*	51,295*	64,188*
AMC CORP.	50*	428*	50*	100*	5,623	2,686*
VOLKSWAGEN	1,400*	650*	1,400*	2,800*	25,675	41,720*
MISCELLANEOUS	940	625	967	1,907	19,020	29,160
Total Trucks, U. S.	24,837	21,864	14,490	39,327	974,478	1,096,281

CANADIAN TRUCK PRODUCTION

	Week Ended Aug. 15, 1981	Week Ended Aug. 16, 1980	Week Ended Aug. 8, 1981	Aug. to Date	Jan. 1 to Aug. 16, 1980	Jan. 1 to Aug. 15, 1981
CHRYSLER CORP.	2,268	1,600	1,836	4,124	26,641	50,389
FORD MOTOR	2,800	800	228	3,028	112,980	93,419
GENERAL MOTORS	3,100	2,630	.....	3,100	154,531	177,432
AMERICAN MOTORS	.....	.....	.....	.....	11,644	.....
INTERNATIONAL	260	475	212	472	10,259	7,137
MACK	.....	40	.....	.....	1,457	.....
Total Trucks, Canada	8,448	5,545	2,276	10,724	317,512	328,377
N. American Trucks	33,285	27,409	16,766	50,051	1,291,990	1,424,658

†—Now includes window van production. *—Estimated.
Jeep includes commercial vehicles only. AM General includes government-destined vehicles. AM General will no longer be figured in with North American trucks.